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Japan

Officials Reject Ron Brown's Comment on Higher Yen

OW2005002993 Tokyo KYODO in English 0000 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Japanese officials late Wednesday [19 May] rejected U.S. Commerce Secretary Ron Brown's comment earlier in the day favoring a higher yen as a way to help reduce Japan's trade surplus with the United States.

"It's meaningless to try to set exchange rates artificially," a senior Finance Ministry official said in reference to Brown's comment. "Any attempt to talk up (the yen) would produce nothing because the foreign exchange market is determined by fundamentals," the official said.

A senior official at the Ministry of International Trade and Industry cautioned against any attempt to drive the yen higher. "The new U.S. Administration should have learned that the yen's rapid advance will throw cold water on economic recovery and adversely affect U.S. long-term interest rates," the official said.

Brown said in a statement issued by the Commerce Department that several courses of action must be taken to narrow the growing U.S. trade deficit with Japan, including "market-driven exchange rate corrections." The statement was issued after the department reported that the U.S. trade deficit with Japan rose to 5.3 billion dollars in March, accounting for 61 percent of the total U.S. trade deficit, from 4.13 billion dollars in February.

Brown's comment, coupled with the worse-than-expected U.S. trade data, sent the dollar tumbling against the yen in New York foreign exchange trading Wednesday.

Later in the day, however, Brown met reporters and apparently reversed his stand, saying the U.S. Government has no intention of driving up the value of the yen to redress the trade imbalance with Japan. "There is no policy to affect the trade with exchange rates," Brown said.

Tanahashi Challenges Brown's Remark

OW2005071393 Tokyo KYODO in English 0627 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Japan's Vice Trade Minister Yuji Tanahashi challenged a U.S. stance favoring the yen's appreciation Thursday [20 May], saying a strong yen will not help correct the trade imbalance between the two countries.

Tanahashi told a news conference that the dollar-yen exchange rate should reflect the economic fundamentals of the respective nations and, therefore, it is inadequate for the United States to use it for its trade policy.

He was commenting on a remark by U.S. Commerce Secretary Ronald Brown, who said Wednesday that steps should be taken to narrow the bilateral trade gap, including corrections of the dollar-yen exchange rate. Tanahashi said Brown's remark will stir speculative foreign exchange trading.

Tokyo, U.S. Differ on Definition of 'Foreign Made'

OW1905130093 Tokyo KYODO in English 1155 GMT 19 May 93

[Text] Tokyo, May 19 KYODO—A dispute between Japan and the United States over the definition "foreign-made" has become a stumbling block to negotiations on the Japanese Government's purchase of computers, government officials said Wednesday.

The U.S. interprets "foreign-made" as those computers made by American companies, while Japan believes the term refers to companies operating in the U.S.—even if they are owned by the Japanese. For example, the U.S. maintains that products of a British subsidiary of Fujitsu Ltd. are not categorized as foreign-made goods even if imported to Japan, an official at the International Trade and Industry Ministry (MITI) said.

Japan has proposed a classification by brand names, claiming that products sold under a brand name of International Business Machines Corp. (IBM) are classified as "foreign-made" even if manufactured by Japan IBM Ltd. or on an original equipment manufacturing basis (OEM), the government officials said. The failure to come to an agreement on a definition has left the two sides divided and follow-up negotiations suspended, they said.

They said the U.S. wants to set as a goal a specific number of American-made computers to be purchased by the Japanese public sector. But Tokyo is concerned that such a number might be seen as a commitment to buy rather than a rough target to work toward, the officuals said.

Japan is concerned that when Japanese Government ministries and agencies purchase foreign-made computers, products of foreign-based Japanese companies might be handled discriminately, they said.

Under the categorization by capital affiliation, the more Japan seeks liberalization of its market, the more disadvantageous goods produced overseas by Japanese companies will be, the officials said. Therefore, the MITI strongly contends that products manufactured overseas and imported to Japan should be classified as foreign-made whether or not made by Japanese companies, they said.

The U.S. side, however, has not made any concession and persistently called for classification by capital affiliation, they said.

Computers are one of priority items for the U.S. to open Japanese markets. Japan expressed its intention to expand competitive bidding for computers to all governmental institutions at a Japan-U.S. summit meeting in January 1992 and the U.S. acknowledged it, they said.

MITI Sets Quotas for Auto Exports to U.S., Europe

OW2005125993 Tokyo KYODO in English 1129 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—The Ministry of International Trade and Industry [MITI] has set fiscal 1993 quotas for Japanese auto exports to the United States and Europe, including a 70,000-car reduction in the number of Nissan Motor Co. exports, ministry officials said Thursday [20 May].

The sharp cut to just over 210,000 Nissan cars for export to the European Community (EC) market reflected an increase in local production by the company, the officials said.

For export to the American market, Isuzu Motors Ltd. was issued a quota of about 60,000 units, 40,000 less than the previous year, because the company will stop making passenger cars this summer, they said.

In early January, Japan decided to maintain its voluntary restraint on auto exports to the U.S. in fiscal 1993 at 1.65 million cars, unchanged from the previous year.

By manufacturer, the ministry will allow a few more than 500,000 units to be exported by Toyota Motor Corp., slightly less than 320,000 for Honda Motor Co., and a little less than 210,000 for Mazda Motor Corp.

Some 160,000 exports will be allowed by Mitsubishi Motors Corp., slightly more than 70,000 for Fuji Heavy Industries Ltd., about 60,000 for Isuzu, and a little more than 30,000 for Suzuki Motor Corp., they said.

The quota for Isuzu was cut from the previous year's level of just more than 100,000. The balance seemed to be allocated for five companies, including Toyota, Nissan and Mazda, whose exports in fiscal 1992 almost met quotas.

Honda and Suzuki were given almost the same quotas as they got the previous year, the officials said.

Within the agreed ceiling of 1,089,000 units for passenger car exports to the EC in fiscal 1993—a figure 8.1 percent lower than the previous year—new quotas for each automaker were also decreased, they said.

The ministry set a quota of a little more than 270,000 units for Toyota, slightly less than 210,000 for both Nissan and Mazda, a little over 120,000 for Mitsubishi, and about 100,000 for Honda, they said.

The quota for Nissan was cut by 70,000 because its annual production capacity in Britain increased by 54,000, they said.

Industry analysts said all of the manufacturers are likely to attain the new quotas for the EC market, but they may not be able to reach quotas in the U.S. market, where they are losing competitiveness amid price hikes due to the yen's strength against the U.S. dollar.

Morita Named Chairman of Japan-U.S. Business Council

OW2005115593 Tokyo KYODO in English 1126 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Akio Morita, chairman of Sony Corp., will be appointed chairman of the Japan-U.S. Business Council, succeeding Eishiro Saito, president of Nippon Steel Corp.

The official appointment will be made at a general meeting to be held June 18. Morita will chair the annual Japan-U.S. Business Conference.

Tokyo To Send Food, Fuel to Disputed Isles

OW2005135893 Tokyo KYODO in English 1347 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Japan will ship food and fuel to the disputed Russian-occupied islands of Kunashiri, Etorofu and Shikotan to help alleviate shortages there, the Foreign Ministry said Thursday [20 May].

Officials said two Japanese ships laden with 10 tons of sugar, 11 tons of butter, and 8.5 tons of powdered and condensed milk—worth some 20 million yen—will dock at a Kunashiri port within the month.

They said another ship, chartered by Russia, will deliver a portion of 1,500 tons of diesel fuel pledged by Japan more than a month ago. The fuel was promised in mid-April after authorities on the islands declared a state of emergency because of an almost total lack of fuel for electricity generation.

But officials said problems were encountered in finding the required type of fuel in Japan, while it was found that Japanese tankers were unable to dock at the primitive port facilities. The islanders are still in urgent need for the fuel, they said.

The territories lie off Hokkaido, Japan's northernmost main island, and were seized by the Soviet Union at the end of World War II. The resulting territorial dispute has since proved to be a major thorn in bilateral relations.

Group Ends Visa-Free Visit to Etorofu 20 May

OW2005083393 Tokyo KYODO in English 0802 GMT 20 May 93

[Text] Nemuro, Hokkaido, May 20 KYODO—A group of 45 Japanese returned Thursday [20 May] from a three-day visit to Etorofu Island under a visa-free mutual visit program between Hokkaido and four Russian-held islands.

The Japanese travelers arrived at a port on Etorofu on Tuesday, paid courtesy calls at administrative and local government offices, and spent the night at Russian islanders' homes, group leaders said.

On Wednesday, the group made inspection tours of farms and marine products factories on the island, and later held a discussion meeting with local fishermen, they said.

The visa-free program began in April 1992, and last year about 270 Japanese—including many former residents of what Japan claims as its northern territories—visited the disputed islands. A similar number of Russian islanders visited Japan's northernmost main island of Hokkaido under the program.

About 420 Japanese and a similar number of Russians are expected to make visits this year, exchange program organizers said.

The Soviet Army seized the four islands at the end of World War II.

Miyazawa Dismisses Early Revision of PK Law

OW2005033893 Tokyo KYODO in English 0219 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Prime Minister Kiichi Miyazawa on Thursday [20 May] dismissed suggestions by his foreign minister that Japan should revise its Peacekeeping [PK] Cooperation Law at an early date. "I have no such intentions," he said, a day after Foreign Minister Kabun Muto called for a revision to allow the Self-Defense Forces (SDF) to guard Japanese civilian police officers and election monitors on UN peacekeeping missions.

Muto told the House of Representatives Foreign Affairs Committee on Wednesday that a revision should be made earlier than stipulated in the original law, which requires a review three years after the date it came into effect in June last year.

In response to reporters' questions in the Diet building, Miyazawa also said Japan has no plans to assign its military to United Nations peace enforcement duties.

Japan's 600-member SDF corps in Cambodia can now only engage in noncombat duties such as building roads and providing medical services.

France Urges Peacekeepers To Stay in Cambodia

OW2005104493 Tokyo KYODO in English 1016 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—French Prime Minister Edouard Balladur voiced strong support Thursday for Prime Minister Kiichi Miyazawa's decision to keep Japanese peacekeeping units in Cambodia, despite domestic pressure for an early withdrawal, the top government spokesman said.

"Japan's first-time participation in U.N. peacekeeping work is not just a domestic test," Balladur said in a letter sent to Miyazawa which was read out by Chief Cabinet Secretary Yohei Kono. "France and many other countries understand Japan's desire to play a role commensurate with its status as an economic power. We have confidence in this, and are keeping close watch," the message said.

Balladur's letter also stated that nations participating in U.N. peacekeeping activities must demonstrate unity and remain resolute in the face of increasing turmoil and violence. Failure to do so could have a negative effect on the May 23-28 general elections, the letter said.

Balladur vowed that French soldiers assigned to protect Japanese peacekeepers would remain vigilant.

Kono said that the letter, delivered via the French Embassy in Tokyo, was an expression of support for Japan's "present decision" to continue with its peacekeeping duties.

Public pressure has mounted to temporarily or fully withdraw from the operations in Cambodia following the slayings of two Japanese, a U.N. election volunteer and a civilian police officer.

Japan is pressing the U.N. Transitional Authority in Cambodia (UNTAC) to bring police officers stationed in more dangerous areas back to Phnom Penh after the elections. Japan has deployed 600 Self-Defense Forces engineers, 74 policemen, and 41 election monitors in Cambodia to join U.N. peacekeeping operations there.

Medical Unit Treating Cambodian Peacekeepers

OW2005052593 Tokyo KYODO in English 0420 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Twelve Japanese peacekeepers in Cambodia are recovering from dysentery, Chief Cabinet Secretary Yohei Kono said Thursday. He said the 12, who are among Japan's 600 Self-Defense Forces (SDF) troops on a United Nations peacekeeping mission in Cambodia, developed symptoms of dysentery last Friday.

Two more SDF peacekeepers show signs of having contracted the disease, the chief spokesman for Prime Minister Kiichi Miyazawa's cabinet told a news conference.

The 12 soldiers are being treated for the illness by a medical unit of the SDF engineering contingent, which has been engaged in repairing war-ravaged Cambodia's roads and bridges, Japanese Government officials said. The SDF contingent is stationed in the southern province of Takeo as part of the peacekeeping operation directed by the United Nations Transitional Authority in Cambodia (UNTAC).

A total of 41 Japanese civilian election monitors arrived in Takeo Province this week to help with the UN-sponsored Cambodian general election which begins Sunday, with polling to finish on May 28.

Kono has asked the Defense Agency to order the SDF medical unit to provide medical services to the monitors if any of them should develop symptoms of dysentery, the officials said.

Fourteen of Chinese Group Admit Illegal Entry

OW2005052693 Tokyo KYODO in English 0409 GMT 20 May 93

[Text] Kagoshima, May 20 KYODO—Fourteen Chinese belonging to a group of 127 people accused of entering Japan illegally admitted charges against them at the opening Thursday of the case at the Kagoshima District Court. They were among 145 people, mostly Chinese from Fujian Province, aboard a Japanese fishing boat detained on April 3 off Kagoshima Prefecture in southern Japan.

Due to the high number of accused—123 Chinese and four Vietnamese—the trial has been divided into 18 proceedings with identical indictments, each covering about seven of the accused. Five Japanese have been indicted in the smuggling case.

According to a court document, the Chinese and Vietnamese left China's Zhejiang Province on March 30 aboard a Chinese fishing boat and transferred to the No. 38 Nagato Maru on April 1 some 400 kilometers west of Bonotsu, Kagoshima Prefecture. They allegedly attempted to enter Japan illegally on April 3 around 1:20 A.M. near Akune, Kagoshima Prefecture. None of them had a passport, the document said.

The rulings for the first six groups are expected to be handed down by May 28. The trials for the last groups are scheduled to open June 10.

Romania's Negritoiu Meets With Foreign Minister

AU1905160693 Bucharest ROMPRES in English 1307 GMT 19 May 93

[Text] Tokyo ROMPRES, 19/5/1993—Romanian Minister of State and Chairman of the Council for Economic Coordination, Strategy and Reform Misu Negritoiu met in Tokyo with Japan's Foreign Minister Kabun Muto.

The Japanese dignitary said he analysed favourably the possibility to increase Japan's economic support for Romania by means of financial assistance to the balance of payments, of guarantees for short-term loans, of access to the long-term loans, training of managers and of other experts, stimulation of trade and private investments.

The Romanian minister thanked for the assistance provided to Romania by Japan over the last three years—especially for the loan worth $100 million—and for the constructive stand of Japan at the meeting of the Consultative Council in Brussels. He also underscored Romania's desire to develop special relations with Japan. In the context, the Romanian minister pointed to the fact that Romania desired a speeding up of the negotiations concerning the mutual protection and guaranteeing of investments.

The Romanian state minister also met with Akira Kanno, Eximbank deputy-governor, with Tsutonu Wata and Noboru Takeshita, prominent personalities of the Japanese political life.

Malaysian State Minister Urges More Investment

OW2005091793 Tokyo KYODO in English 0855 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—The chief minister of Malaysia's Malacca State called Thursday [20 May] for more investment from Japan, especially from small- and medium-scale industries. Abdul Rahim Thamby Chik told reporters, "within the Asian region, Malaysia will be the choice (for Japanese investment), and within Malaysia, Malacca is one of the best."

Rahim is leading a Malacca investment promotion mission which has been organizing seminars since May 15 until Saturday in Tokyo and regional Japanese cities.

There are 22 Japanese factories in Malacca, he said, but they make up a low proportion of total foreign investment in the state, he said.

The chief minister listed favorable factors for potential Japanese investors, including lower production costs compared with other places in Malaysia such as Kuala Lumpur, Johor and Penang. The availability of workers in the densely populated state, training systems and efficient infrastructure also can attract investors, he said.

Two Ministers Threaten To Resign Over Reform

OW1905144793 Tokyo KYODO in English 1436 GMT 19 May 93

[Text] Tokyo, May 19 KYODO—Two cabinet ministers from the governing party's fifth-largest faction threatened to resign Wednesday [19 May] if Prime Minister Kiichi Miyazawa fails to implement political reforms, sources close to the faction said. Mamoru Nakajima, director general of the Science and Technology Agency, and Hajime Funada, director general of the Economic Planning Agency, huddled in discussions about the ongoing political reform process with Ichiro Ozawa, one of the faction founders.

In the meeting, the three agreed that the two ministers would have to take action, including resigning, if Miyazawa does not take concrete steps to draw up a compromise on the stalled process next week, the sources said.

The faction, made up of 43 of the 380 Diet members who are in the Liberal Democratic Party (LDP) and headed by former Finance Minister Tsutomu Hata, has spelled out its stance to adamantly go ahead with political reform.

The LDP and opposition parties are agonizing over ways to realize political reform during the current Diet session ending June 20. The reform would center on revision of the current electoral system for filling House of Representatives seats and introduction of stringent controls on political funds.

The LDP has proposed a four-bill reform plan which would include the replacement of existing multi-seat election system for the lower house with a single-seat system.

The largest-opposition Social Democratic Party (SDP) and the second-largest Komeito have jointly submitted a six-bill proposal which would include the introduction of an electoral-district system combining single-seat constituencies and proportional representation. But sources said the two sides still remain far apart on the reform ideas and have yet to find a light at the end of the tunnel on the issue.

A number of incidents of corruption, epitomized by a scandal involving fallen political power broker Shin Kanemaru last year, triggered demands for the imminent implementation of political reform.

The 78-year old Kanemaru, former LDP vice president, was fined 200,000 yen late last September for receiving 500 million yen in illicit contributions from a major trucking company. He resigned from the Diet the following month.

Rengo Chairman Interviewed on Reform, Regrouping

OW2005090593 Tokyo NHK General Television Network in Japanese 1000 GMT 19 May 93

[Interview with Akira Yamagishi, chairman of the Japanese Trade Union Confederation, by NHK announcer Yoshiaki Kawabata; place and date not given]

[Text] At a meeting of the three top officials of the Japanese Trade Union Confederation [Rengo] in Atami City, Shizuoka Prefecture, being held since yesterday, Rengo affirmed that it would actively support candidates who work enthusiastically for political reform in the next election of the House of Representatives.

The Rengo's top-three meeting discussed the constitutional status of the Self-Defense Forces [SDF]. It decided not to pass judgment on the SDF's constitutionality in dealing with the debate on this issue within the Rengo, but proposed that a basic law on national security be formulated to complement the Constitution in order to clarify the legal status of the SDF.

With regard to organizational support of and cooperation with political parties, a recent interim report of Rengo's political committee had suggested that there should be no fixed relationship with a particular political party, and that Rengo should, instead, maintain cooperative relations with parties and politicians who advocate similar policies with Rengo. A conclusion on this issue was not reached at the meeting, and it was decided that deliberations should continue.

However, with regard to the next lower house election, the Rengo leaders affirmed that Rengo would actively support candidates who are enthusiastic about political reform, and who work positively for its realization.

A while ago, we interviewed Rengo Chairman Yamagishi on Rengo's political stance and prospects for the reorganization of the political world.

[Begin recording] [Kawabata] The meeting of Rengo's three top leaders may be considered to have postponed the conclusion to certain issues, and to be lacking in clarity.

[Yamagishi] With regard to Rengo's debate on the constitutional status of the SDF, we decided to put an end to the debate with this. We did not give a direct answer to the question of whether the SDF is constitutional; however, by proposing the formulation of a basic law on national security, which includes provisions on the nature of the SDF, I believe we have, at least paradoxically, overcome the proposition that the SDF is unconstitutional.

[Kawabata] At the top-three meeting, you have decided to continue deliberations on Rengo's support to political parties. On the other hand, you have also proposed to actively support candidates who are enthusiastic about political reform in the next election. Tell us frankly if the outcome of the top-three meeting means a further step forward toward what you term a coalition of non-Liberal Democratic Party [LDP] reformists as a step to reorganizing the political world, or does this apply brakes on such a move?

[Yamagishi] I believe this constitutes an acceleration. While I do not think this will solve all the problems, this surely will be beneficial.

[Kawabata] In concrete terms, how can you tell who are the candidates who are enthusiastic about reform?

[Yamagishi] What is being discussed in the current Diet session are the LDP's proposal and the proposal presented by the Social Democratic Party of Japan [SDPJ] and Komeito. These proposals are like water and oil; they have no point of contact. If the situation goes on like this, the result will be either shelving of the issue or its disintegration in midair. That will not do. The ruling and opposition parties should make attempts at compromise; they should adopt a humble attitude. Since the present medium-sized constituency system is no good, they should decide on a new electoral system based on such an assumption. The important thing is the next general election should be held under the new system. I think this is the crucial point; candidates should be enthusiastic about this issue. In reality, there are many people who pay lip service to the system of single-seat constituencies, but who are actually bent on preserving the medium-sized constituencies. I believe it is but natural that we take a different attitude in our support of candidates who adopt a negative stance on this issue in the next election.

[Kawabata] Does this mean you will not actively support candidates who are not enthusiastic about reform, regardless of whether the candidate is from the SDPJ, the Democratic Socialist Party [DSP], or an independent?

[Yamagishi] The individual labor unions, and not Rengo, will decide which candidate to endorse. However, if Rengo, as I have just said, declares its position to actively support the reformists, and to deal strictly with the conservatives who are not enthusiastic about political reform in the "an eye for an eye; a tooth for a tooth" attitude, this will serve as valuable food for thought when the labor unions make a decision on supporting the latter.

[Kawabata] If you say the LDP proposal and the SDPJ-Komeito proposal are like water and oil, I think the "renyo" system [a combination of single-seat constituencies and proportional representation proposed by the private sector's Political Reform Promotion Committee, called Private Sector Rincho in short] lies somewhere in between. How do you think a compromise proposal can be arrived at?

[Yamagishi] I am not the one who is going to draw up the compromise proposal, but personally, I think under the present circumstances, the draft proposal on the "renyo" system presented by the Private Sector Rincho is more preferable.

[Kawabata] What do you think of the possibility of reaching a compromise?

[Yamagishi] I think there is a 60-40 chance. The probability of reaching an agreement is 60 percent, while the probability of failure is 40 percent. [end recording]

That was an interview with Rengo Chairman Yamagishi.

Miyazawa Ties Income Tax Cut to Pension Reform

OW2005062993 Tokyo KYODO in English 0455 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—Prime Minister Kiichi Miyazawa said Thursday [20 May] the government will study a possible income tax reduction in the near future by linking the issue with reforms in the pension system. Miyazawa told the Budget Committee of the House of Representatives that the government will consider reducing the number of income tax brackets, so as to ease the "excessive burden" of some middle-income taxpayers.

Currently there are five income tax brackets, divided on the basis of the amount of earnings.

He said the tax-cut issue will be contemplated in connection with a future revision of the relationship between the citizens' burden of social welfare and pension payments by the government.

Finance Minister Yoshiro Hayashi, speaking at the same committee session, said the issue of an income tax reduction ought not be discussed as a tool for stimulating the economy.

Hayashi was also cool to the idea of giving tax rebates as part of a scheme to cut income tax. He said past experience showed such a measure is not necessarily welcomed by the public, while it could also lead to eventually boosting the taxpayers' burden.

Mori Reluctant To Pass Higher Yen's Benefits to Consumers

OW1805112493 Tokyo KYODO in English 1023 GMT 18 May 93

[Text] Tokyo, May 18 KYODO—International Trade and Industry Minister Yoshiro Mori on Tuesday [18 May] showed hesitancy over passing windfall gains from the yen's rise on to consumers.

Mori told a plenary session of the Diet's House of Representatives that although gas and electricity industries have benefited from the recent yen's rise, advances in crude oil prices should also be taken into account.

"It is not time to discuss returning such benefits to consumers. We have to take a close look at oil price movements for a while," Mori said.

Gas Firms Not To Cut Rates

OW2005115493 Tokyo KYODO in English 1108 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—The head of the Japan Gas Association on Thursday [20 May] ruled out any chance of gas utilities soon cutting rates to pass on foreign exchange gains to consumers.

Hiroshi Watanabe told a news conference that the yen began to rise in March, and Japanese gas suppliers have yet to gain from the strong yen. He said the yen keeps bobbing up and down in a range of about 10 percent and its future course is unclear.

Campaigns by retail stores to pass along exchange gains are just a discount sales drive designed to stimulate personal consumption, he said.

Ministry To Phase Out Bank Branch Regulation

OW2005081393 Tokyo KYODO in English 0753 GMT 20 May 93

[Text] Tokyo, May 20 KYODO—The Finance Ministry said Thursday it will phase out regulations on the establishmnt of bank branches by major commercial banks and abolish the rules for smaller institutions. The commercial banks are known as "city banks" in Japan, and the smaller banks include regional, secondary regional and shinkin banks.

Ministry officials said the move will benefit consumers by facilitating competition in the financial sector in line with the liberalization of the industry.

Regulations on automated banking services will be dropped for shinkin banks and eased for city, regional and secondary regional banks, the officials said.

North Korea

KCNA Reports ROK Ships 'Infiltrating' Waters

SK1905231193 Pyongyang KCNA in English 2225 GMT 19 May 93

[Text] Pyongyang, May 19 (KCNA)—The South Korean puppets committed a grave military provocation on May 18 by illegally infiltrating a group of combatant ships deep into the western territorial waters of the Democratic People's Republic of Korea.

At around 12:52 they infiltrated three combatant ships based on the Taechong islet deep into the territorial waters southwest of the Wollae islet off Ochajin-ri, Yongyon County, South Hwanghae Province, for the purpose of kidnapping peaceable fishing boats and fishermen who were engaged in fishing in the territorial waters of our side.

They sailed northward in battle formation toward our fishermen who were catching fish in the sea near the Wollae islet, gravely threatening them.

They fled southward hurry-scurry when a patrol craft of the navy of the Korean people's army which was defending the sea of the socialist country like an impregnable fortress sailed out to the scene.

This reckless military provocation perpetrated by the South Korean puppets in broad daylight is a premeditated act aimed at aggravating the situation of the Korean peninsula by inciting north-South confrontation.

Our people and People's Army soldiers are closely watching the military provocations of the South Korean puppets and they will never pardon any aggressive action.

The South Korean puppets should look at the situation squarely and stop running amuck.

KCNA Reports 18 May U.S. 'Air War Exercise'

SK2005053693 Pyongyang KCNA in English 0439 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—The U.S. imperialist aggressors on May 18 staged a provocative air war exercise against the North in the skies above Oeyon islet, Chungju and Yongwol of South Korea with the mobilisation of more than 250 fighter planes of various types based in Japan, the Pacific and South Korea, according to military sources.

Meanwhile, they sent an overseas-based anti-submarine patrol plane to the sky above the East Sea of Korea for espionage and a U-2 high-altitude strategical reconnaissance plane committed espionage on the strategic interior and coastal areas of the northern half of Korea, making a shuttle flight along the Military Demarcation Line.

Daily Calls For Removal of U.S. Forces in Asia

SK2005104793 Pyongyang KCNA in English 1016 GMT 20 May 93

["Prerequisite to Peace and Security in Asia"—KCNA headline]

[Text] Pyongyang, May 20 (KCNA)—Removal of the danger of war on the Korean peninsula and withdrawal of the U.S. forces from South Korea and other parts of the Asia-Pacific region are a prerequisite to peace and security in this region, stresses NODONG SINMUN today.

The author of the article says:

The imperialists are stepping up their acts of aggression and war in Asia against the desire of the people in this region. Owing to this, tensions are growing acute and peace is exposed to grave threat.

Domination of Asia is a consistent ambition of the United States. The U.S. is working round the clock to gratify its dominationist desire in this region, connecting the region to its "vital interests. The U.S. is sticking to an anachronistic policy of containing the revolutionary forces and dominating the countries in Asia by strength.

The U.S. forces deployed in Asia account for a third of the total U.S. military presence overseas. The U.S. forces deployed in the Asia-Pacific region are a tool for realising U.S. domination of this region.

The U.S. and its followers are raising a noisy row over the fictitious "nuclear development" of the DPRK and "instability" caused by it in the Asia-Pacific region. This is a ruse to justify the U.S. acts of aggression and war and find a pretext for a permanent U.S. military presence in this region.

Due to the continued U.S. military presence in the Asia-Pacific region, the danger of war remains in this region and peace is menaced gravely.

The Asian people who love peace should unite and wage a vigorous struggle for the dismantlement of aggressive U.S. military bases and withdrawal of the U.S. forces from Asia and against aggression and war.

Kim Yong-nam Meets Indonesian Leaders in Jakarta

Holds Talks With President Suharto

SK2005021393 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 19 May 93

[Text] Indonesian President Suharto met Vice Premier and Foreign Minister Kim Yong-nam on 18 May. At the meeting the foreign minister conveyed the greetings of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to President Suharto. The president expressed deep thanks for the greetings and asked the foreign minister to convey his most sincere greetings to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il.

President Suharto expressed the hope that the outstanding economic cooperative relations existing between the two countries will continue to develop. The president said that he will try to further expand and develop these relations.

He stressed that the relations between the two countries will contribute to achieving Korea's reunification.

At the meeting, the Indonesian foreign minister and DPRK ambassador to Indonesia were on hand.

Further on Talks

SK2005052993 Pyongyang KCNA in English 0445 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—Indonesian President Suharto said when he met with vice-premier and Foreign Minister Kim Yong-nam on May 18 that Indonesia hopes the good relations of economic cooperation existing between the two countries will continue to expand and develop and he would strive to further develop these relations.

He hoped that the relations between the two countries would contribute to the Reunification of Korea.

Earlier, on May 17, talks were held between vice-premier and Foreign Minister Kim Yong-nam and Indonesian Foreign Minister Ali Alatas.

At the talks, the Indonesian foreign minister said that to deal with the DPRK's withdrawal from the Nuclear Nonproliferation Treaty at the United Nations is beyond reason. The "nuclear problem" must be solved through the negotiation between the DPRK and the United States, he added.

At the same time, negotiation between Korea and the International Atomic Energy Agency must also be held, he stressed.

Confers With Counterpart

SK2005021793 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 19 May 93

[Text] Talks between Vice Premier and Foreign Minister Kim Yong-nam and Indonesian Foreign Minister Ali Alatas were held in Jakarta on 17 May. The talks were attended by the foreign minister's entourage and our ambassador to Indonesia and by president and adviser to the foreign minister in charge of the nonaligned movement, acting director of the Political Affairs Bureau of the Indonesian Foreign Ministry, and other functionaries concerned from the Indonesian side.

At the talks, the Indonesian foreign minister said: We express full support for your efforts at solving the nuclear issue. We fully agree with your view that joining in or withdrawing from the Nuclear Nonproliferation Treaty [NPT] is a matter related to the soveriegnty of an independent state. It is unreasonable to deal with the issue of your country's withdrawal from the NPT at the United Nations. We think that the nuclear issue should be solved through negotiations between Korea and the United States. At the same time, we also feel that negotiations between Korea and the International Atomic Energy Agency are necessary.

The talks proceeded in a friendly atmosphere.

The foreign minister held a new conference with reporters after the talks.

Kim Yong-nam Meets With Foreign Counterparts

SK2005015993 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 18 May 93

[Text] Kim Yong-nam, vice premier and foreign minister, who had attended a minister-level meeting of the Nonaligned countries' Standing Committee for Economic Cooperation, met recently the Indian minister of state for external affairs, the Zimbabwean foreign minister, the Iranian foreign minister, the Bangladeshi foreign minister, and heads of the delegations of many other countries.

At the meetings, opinions on a series of matters of mutual concern were exchanged.

PRC Party Functionaries Conclude Visit 17 May

SK2005020593 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 17 May 93

[Text] A delegation of the CPC functionaries led by Wang Jingmao, deputy secretary of the Work Committee for Organs under the CPC Central Committee, left by airplane on 17 May. The delegation was seen off at the airport by Kim Yang-kon, deputy director of a department of the Central Committee of the Workers Party of Korea, and a counselor at the PRC Embassy in our country.

Vice President Departs for Visit to Guinea

SK2005105193 Pyongyang KCNA in English 1033 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—Yi Chong-ok, vice-president of the Democratic People's Republic of Korea, left here today to pay a visit to Guinea as a special envoy of the great leader President Kim Il-song.

He was seen off at the airport by Kang Hui-won, vice-premier of the Administration Council, Chi Chang-ik, secretary of the Central People's Committee, Pak Myong-ku, vice-minister of foreign affairs, and other officials concerned and Ashenafi Abebe, charge d'affaires ad interim of the Ethiopian embassy here, and Yuri Fadeev, Russian ambassador to Korea.

CPRF Denounces Kim Chong-pil's Remarks on ROK Coups

SK2005104593 Pyongyang KCNA in English 1011 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—The secretariat of the Committee for the Peaceful Reunification [CPRF] of the Fatherland issued Information No. 630 on May 19 denouncing the recent outbursts of those within the ruling quarters defending the "May 16 military coup" and "December 12 army purge coup" of the former military fascist dictators.

According to the information, chairman of the South Korean "Democratic Liberal Party" Kim Chong-pil on May 16 extolled the anti-democratic "May 16 military coup".

Denouncing his remark as a jargon intended to conceal, beautify and justify his own ugly crimes, the information says:

The "May 16 coup" of 1961 was an anti-democratic "military coup" staged by the military fascists bossed by the traitor Pak Chong-hui to defuse the crisis of the colonial rule of the U.S. imperialists over South Korea and establish a military fascist dictatorial system under the direct manipulation of the U.S. imperialists. This was an unpardonable criminal act of usurping the gains of struggle won by the valiant fighters of April 19 at the cost of their blood and of putting down the desire of the South Korean people for the democratisation of society and the national reunification.

The remark of Kim Chong-pil as chairman of the ruling "Democratic Liberal Party" cannot be construed otherwise than a proof that the present South Korean "regime" is not a "civilian government" and it is following in the footsteps of its preceding military fascist dictatorial "regimes".

It is only too natural for the South Korean opposition parties and dissident organizations to demand the ouster of Kim Chong-pil and Hwang In-song from the political arena.

If the present South Korean "regime" truly seeks "civilian government" and "reform", it must list as first targets of reform such fellows as Hwang In-song and Kim Chong-pil who tried to defend and justify the "May 16 military coup" and "December 12 army purge coup", and punish them.

'Korean Activists' Hold Meeting in Japan 16 May

SK2005003193 Pyongyang KCNA in English 1507 GMT 19 May 93

[Text] Tokyo, May 17 (KNS-KCNA)—A meeting of young Korean activists in Japan was held in Tokyo on May 16.

A congratulatory message of the Great Leader Generalissimo Kim Il-song to the conference was read out at the meeting.

In his speech at the meeting, first vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon) Yi Chin-kyu said the meeting would be a meeting of loyalty and singlehearted unity demonstrating the faith and will of the young Koreans in Japan to advance together with the young people in the homeland under the guidance of the dear leader Comrade Kim Chong-il, closely rallied around him, and a historic meeting which would occasion a new turning point in the development of the Korean youth movement in Japan.

In his report, chairman of the league of Korean youth in Japan Pak Ku-ho noted that the great leader sent a congratulatory message to the meeting, making it a meeting of glory to be recorded in the history of the youth movement and giving great happiness and courage to the young activists and other youth and students.

"The dear leader has wisely guided the work of modelling the ranks of the Korean youth in Japan on the chuche idea and solving the problem of inheritance of the patriotic cause of Chongnyon so that the Korean youth and students in Japan may creditably carry forward the tradition of chuche and patriotism through storm and stress," the reporter said.

"The meeting," he continued, "will mark an occasion in developing the Korean youth movement in Japan to a new, higher stage as a youth movement true to the idea and guidance of the great leader, a mass movement to rally broad segments of youth and students closely and a vanguard youth movement for setting the pace in fulfilling the patriotic tasks such as national reunification, as intended by the dear leader."

"We should develop in depth the youth pioneer movement more vigorously under the slogans 'Let us unite in one mind around Marshal Kim Chong-il, the dear leader of our people' and 'Let us become youth pioneers in glorifying the chuche era' and extensively promote a massive youth movement such as signature campaign and 'grand march of youth and students' supporting and realising the 10-point programme of the great unity of the whole nation."

Speeches were made at the meeting.

Letters of pledge to Generalissimo Kim Il-song and to Marshal Kim Chong-il were read out at the meeting.

Send Pledge to Kim Chong-il

SK1905061493 Pyongyang KCNA in English 0514 GMT 19 May 93

[Text] Pyongyang, May 19 (KCNA)—The dear leader Comrade Kim Chong-il received a message of pledge on May 16 from the participants in a meeting of young Korean activists in Japan.

In the message, they vowed to discharge their noble mission for the country and the nation with a high honor given by Comrade Kim Chong-il—the honour of being pioneers of the chuche era, successors to the patriotic cause of the General Association of Korean Residents in Japan (Chongnyon) and a paragon of the youth movement of overseas Koreans.

They stressed that they would thoroughly establish the leadership system of Comrade Kim Chong-il within the organisation of Chongnyon and carry forward the tradition of loyalty to the leader, the tradition of single-hearted unity created by the first generation of the patriotic movement, thus making the young Koreans in Japan ranks of loyalty and singlehearted unity.

"We will instil conviction of certain victocy of the socialist cause of chuche, patriotism and the spirit of national independence into the minds of the Korean youths and students in Japan and make them devote their all to the patriotic movement for resolutely defending and glorifying our-style socialism centred on the popular masses," they said, and stressed:

"We will turn out in the struggle to put the 10-point programme of the great unity of the whole nation into practice, strengthen great national unity with the compatriots and youths in the North, the South and overseas and make a worthwhile contribution to the nationwide cause of achieving the reunification in the 1990s."

They wished Comrade Kim Chong-il good health and long life.

Korean-Japanese Friendship Group Holds Kyoto Meeting

SK2005052293 Pyongyang KCNA in English 0432 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—The "fifth meeting of Kyoto women for Japan-Korea friendship—on peaceful reunification of Korea and the 10-point programme of the great unity of the whole nation" took place in Kyoto on May 13, the Tokyo-based Korean News Service reported.

It was attended by Rumiko Ogawa, secretary general of the Japan women's association, and other Japanese women and a Korean women's delegation.

A letter of solidarity to the Korean women was adopted at the meeting.

Noting that the heavy wounds inflicted by Japan's aggression and colonial rule upon the peoples of Asian countries including Korea has not healed up yet, the letter says Japan's overseas inroad under the pretext of "international cooperation" arouses apprehensions as an unstable factor of another threat to peace of Asia.

It says Japanese and Korean women declared that they would struggle strongly demanding the withdrawal of foreign troops, nuclear weapons and military bases from Japan, Korea and other regions of Asia.

"Expressing firm solidarity with the Korean women who are striving hard to implement the '10-point programme of the great unity of the whole nation for the reunification of the country' worked out by President Kim Il-song, we, Japanese women, vowed to express strong solidarity for Korean reunification," the letter says.

Overseas Koreans Oppose U.S. Role on Peninsula

SK2005001993 Pyongyang KCNA in English 1511 GMT 19 May 93

[Text] Pyongyang, May 19 (KCNA)—The One Korea Movement made public a statement demanding the United States to immediately cease its nuclear threat to North Korea, stop hindering the implementation of the North-South agreement and joint declaration on denuclearization, withdraw all its troops and nuclear weapons and actively help in the reunification of the North and the South, said NEW KOREA TIMES, an Overseas Koreans' newspaper published in Canada.

The International Atomic Energy Agency, the statement said, should withdraw at once its wrong resolution demanding "special inspection" and restore fairness and impartiality in its operation.

It urged the South Korean authorities to renounce the diplomacy of dependence on the United States and anti-reunification policy pursued by the successive "regimes" and make efforts to solve the "nuclear problem" in favour of reunification. And it called upon the entire Korean nation to unite and resolutely smash the nuclear threat by big powers.

Kim Chong-il Receives Congratulatory Messages

SK2005104693 Pyongyang KCNA in English 1006 GMT 20 May 93

[Text] Pyongyang, May 20 (KCNA)—More than 700 congratulatory messages and letters have come to the dear leader Comrade Kim Chong-il from some 100 countries over the last one month or more upon his election as chairman of the National Defence Commission at the Fifth session of the Ninth Supreme People's Assembly of the Democratic People's Republic of Korea. In this period over 180 newspapers, news agencies and radios reported the news.

Congratulatory messages and letters have come from heads of state of China, Vietnam, Cambodia, party leaders of Bangladesh, Malta and other countries, defence ministers of Cuba, Namibia and Zimbabwe, the chairman of the Portuguese Central Committee for the Study of Kimilsongism, the chairman of the Norway-Korea Friendship Association and other figures of chuche idea study organizations, organizations of friendship and solidarity with the Korean people and social organizations, men of the press and officials of international and regional organizations.

They stress that his election as chairman of the National Defence Commission is a political event of great significance in accomplishing the revolutionary cause of chuche through generations and developing the revolutionary struggle to a high stage.

Mass media of Laos, Pakistan, India and many other countries reported the news and meetings were held in Guyana, Austria and other countries on the occasion.

Choe Kwang Addresses Rally on Party Slogans

SK1905080593 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 18 May 93

[Speech by Choe Kwang, member of the Political Bureau of the Central Committee of the Workers Party of Korea, WPK, and chief of the General Staff of the Korean People's Army, on 17 May; place not given—recorded]

[Text] We are holding a rally today to implement the party Central Committee's slogans published on the occasion of the 40th anniversary of the victory of the Fatherland Liberation War under the solemn circumstances in which the entire party, the entire Army, and all of the people are achieving brilliant victories in the struggle to demonstrate the superiority of the popular masses-centered socialism of our own style under the leadership the great leader Comrade Kim Il-song and the respected and beloved Supreme Commander Comrade Kim Chong-il.

Accepting the party's militant slogans with all of their heart, all of the people throughout the country and officers and men of the People's Army are now filled with the great national dignity and honor of victoriously pioneering the cause of independence of the popular masses, standing at the forefront of the anti-imperialist and anti-U.S. struggle. They are also filled with the firm determination to accelerate the revolution and construction and to achieve national reunification in the 1990's without fail while brilliantly implementing the tasks presented in the party Central Committee's slogans.

Our victory in the Fatherland Liberation War was a great victory of the excellent military ideology, strategies and tactics, amd chuche-oriented military operation method of the respected and beloved leader Comrade Kim Il-song. It was also an historic event which clearly showed that the people who bravely struggle to pioneer their destinies by firmly rallying around the leader [suryong] can defeat any imperialist aggression forces and defend their national dignity and sovereignty. [applause]

During the 40-year postwar period our people smashed and defeated the U.S. imperialists, who claimed to be the strongest in the world, in the Fatherland Liberation War. Our people overcame the constant challenges by the U.S. imperialists and their stooges with matchless mass heroism, patriotic devotion, and an indomitable fighting spirit and vigorously accelerated the revolution and construction. Thus, they outstandingly built the prosperous popular masses-centered socialism of our own style on this land.

The victories, which our people won in the Fatherland Liberation War and in the revolution and construction in the postwar period under the wise leadership of the party and the leader, were the great ones, which were the brilliant inheritance, development, and enrichment of the glorious anti-Japanese tradition. These victories were also the proud ones which proved the absolute superiority, might, and unfathomable vitality of socialism over capitalism. [applause]

Our people and People's Army's soldiers have constantly won victories in confrontation against the U.S. imperialists. Under these circumstances, they mark the 40th anniversary of the victory in the Fatherland Liberation War. Thus, they swell with great revolutionary pride and confidence.

Struggle against the enemies is a victory. Concession and retreat mean death. We should resolutely struggle against anti-Republic and antisocialist maneuvers by all enemies, including the U.S. imperialists. We should defend and complete the socialist cause to the end.

The party Central Committee's slogans to mark the 40th anniversary of the victory in the Fatherland Liberation War are the programmatic guideline that we should firmly uphold in struggle to defend the chuche-oriented socialist cause. The party Central Committee's slogans are the militant banner. The slogans inspire all the people and People's Army's soldiers to bring about a great upsurge in socialist construction and to struggle for national reunification. [applause]

Upholding the party Central Committee's slogans, all functionaries and soldiers should be single-heartedly united around the respected and beloved comrade supreme commander. They should effect a new turn in the People's Army's preparations for overall struggle. They should brilliantly adorn the 40th anniversary of the victory in the Fatherland Liberation War.

Our People's Army is assigned the heavy and glorious mission to firmly defend our leader, party, and socialism from all provocation maneuvers by enemies. Our People's Army is also assigned the mission to achieve the historic cause of the national reunification.

In order to achieve the noble mission and duty which are assigned to our People's Army before the times, the revolution, the fatherland, and the people, all functionaries and soldiers should, above all, have resolute obligation and faith to lay down their lives for their leader, party, and fatherland. They should firmly uphold the leadership of the respected and beloved comrade supreme commander.

Upholding the respected and beloved comrade supreme commander is the demand of our revolution. Herein contains a firm guarantee capable of brilliantly defending and completing the socialist cause and of achieving the historic cause of the national reunification, under any complex circumstances.

All functionaries and soldiers should firmly establish the revolutionary view of the leader. They should make it a rule of faith, conscience, morality, and life to do loyalty to the respected and beloved comrade supreme commander.

Like the anti-Japanese revolutionary martyrs and Comrade Yi In-mo, incarnation of faith and will, all functionaries and soldiers should firmly uphold and follow the comrade supreme commander as the great leader [suryong] of the revolution, as the respected and beloved father [oboi], as the benefactor of life, and as the pillar of mind.

All functionaries and soldiers should be rifles and bombs. They should be genuine loyalists and dutiful sons who resolutely defend the comrade supreme commander.

KCNA Reviews 20 May Pyongyang Press

SK2005053393 Pyongyang KCNA in English 0501 GMT 20 May 93

[Press review]

[Text] Pyongyang, May 20 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received the visiting delegation of the African Party for the Solidarity and Justice of Mali.

Seen in the press is a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to President Paul Biya on the national day of the Republic of Cameroon.

Papers report that the manager of the Voluntad Publishing House of Ecuador presented gifts to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

NODONG SINMUN reports that U.S. and Japanese media gave publicity to the calls issued by the C.C. [Central Committee], the Workers' Party of Korea on the 40th anniversary of the victory in the fatherland liberation war.

MINJU CHOSON editorially calls for a vigorous drive to create "speed of the general onward march of our-style socialism" in hearty response to the calls of the party Central Committee.

Papers inform the readers of innovations effected by working people in the coal industry, light industry and other domains of the national economy in response to the calls of the party Central Committee and convey news of rice transplantation on cooperative farms.

NODONG SINMUN runs an article titled "ever-victorious is our revolutionary cause led by the tested veteran party."

Papers report that the Indonesian president received the DPRK foreign minister.

NODONG SINMUN informs the readers of a meeting held to convey books contributed to the national congress party of Ghana by the C.C., the Workers' Party of Korea.

Papers report that the first East Asian Games closed and the organizing committee of the games listed DPRK's Kim Kwang-suk as one of the best players.

The 61st anniversary of the founding of the Korean People's Army was grandly celebrated in foreign countries, according to NODONG SINMUN.

Papers report that the South Korean puppets perpetrated a military provocation by infiltrating three combatant ships deep into the territorial waters of the North on the West Sea of Korea and the U.S. imperialists continuously stage air war exercises against the DPRK.

It is reported in papers that the mission of the South Korean National Democratic Front in Cuba held a press conference on the 13th anniversary of the Kwangju popular uprising and the general federation of Christian students in Kwangju issued a statement urging a preferential solution of the Kwangju problem.

Papers convey world public voices denouncing the strong-arm action of the U.S. and its followers infringing on the sovereignty of the Korean people over the "nuclear problem" of Korea.

NODONG SINMUN reports that Cuba denounced the U.S. military presence in Guantanamo and the Argentine president condemned the unreasonable British decision regarding the Falkland Islands.

Papers observe the national day of Cameroon.

An article of NODONG SINMUN says that the withdrawal of the U.S. forces from South Korea and the Asia-Pacific region is a prerequisite to peace and security in this region.

Article Views Possible Opposition Force in Military

932C0134A Seoul PUKHAN in Korean Apr 93 pp 48-54

[Article by Son Yun-song of the North Korea Research Center: "Sounding Out the Possibility of the Emergence of Opposition Forces From the Korean People's Army Organization"]

[Excerpts] Among predictions of North Korean collapse or of a rapid change in its system, there are many who are interested in the role of the North Korean military elite. This is because all forces opposed to the Kim Il-song Father-Son System have been purged or confined in Special Dictatorial Authority Districts and because the possibility that religious forces will develop into opposition forces, such as in Eastern Europe, is extremely thin. Not only this, but the so-called "Corps of One Million Three Hundred Thousand Intellectuals," which includes those who studied in the former Soviet Union, China, and Eastern Europe, is structured by a thorough policy of isolation or is in a situation preventing it from becoming a viable force. Therefore, we can sufficiently predict that the military, actually armed and organized, will function as the eye of the storm, i.e., its driving force, either for or against the North Korean regime.

If this is the case, then the heads of the North Korean regime will not have discounted this possibility either. They cannot help but install measures to deal with it systematically, legally, in the leadership, and ideologically. Thus, there appears the necessity for an ideological and systemic surveillance organization.

The present Kim Il-song Father-Son System is essentially different than what China's Mao Zedong regime obtained through the "barrel of a gun." However, it cannot be denied that they created their regime with the "barrel of a gun."

The Kim Il-song faction, which returned to Pyongyang with the occupation of North Korea by Soviet forces, had to immerse itself in a struggle with various armed groups. Although there was no armed clash with these domestic groups, such as the Yanan faction which was active with the communist armies in mainland China, Kim's faction, with the backing of Soviet forces, was initially successful in its struggle against them. Even afterwards, they were able to block a coup d'etat attempt by an opposition faction in the power struggle called, "The August Sects Incident." Recently, as part of the anti-Kim Il-song Movement, stories of armed uprisings such as the Attempted Train Bombing Incident, the Onsong Concentration Camp Uprising, and the Workers-Peasent Red Guards Armed Uprising at Komdok Mine, have been continually flowing out of North Korea. [passage omitted]

The character of the Korean Peoples Army [KPA] is prescribed in the party regulations, Article 46, as the "Revolutionary Armed Force of the Workers Party of Korea [WPK]." It is not defined as the people's military, but as a military which protects the party and is absolutely controlled by it. Thus, unlike the Ministry of People's Armed Forces, Department of National Defense, and Department of Social Safety which are subordinate to the Cabinet, it is organized so as to be directly subordinate to the party Central Committee. [passage omitted]

Including the Armed Forces of the former Soviet Union, it is traditional for the militaries of communist countries to strengthen their political organizations. Influenced by this, the Korean People's Army has followed in the same track, as one would expect. However, this became concrete with the October 1950 (during the Korean War) party Central Committee Politburo's "Decision on the Party Organization and Political Apparatus in the People's Army." The People's Army was unable to firmly establish soldiers' ideological consciousness at that time, being in the middle of war. Furthermore, the reality was that soldiers were unable to come to an autonomous realization of the purpose of and reasons for their fight. This can demonstrated by the fact that Kim Il-song ordered, "To make our soldiers understand the reasons and objectives they are fighting for, a disciplined political organ made up of competent party members will be united to the People's Armed Forces."

Afterwards, in the December 1961 expanded meeting of the WPK Military Commission, a Party organization within the military was stipulated in Party regulations. In the January 1969 Fourth Session of the Fourth WPK Congress, measures were adopted requiring the signature of a political agent on all KPA orders in order to be valid. This was done to further strengthen the Military Commission. With this, the command system of the People's Army was established in a malformed way, not as a normal commander-centered system, but with political officers ranking above military officers.

Propaganda claims that the objectives of the political organization within the Korean People's Army are, "to carry out the work of political ideological education in a substantial way, with the establishment of the party's single ideological system among our soldiers as its fundamental purpose, and to enable them to highly exhibit the political ideological superiority of revolutionary force." In keeping with its objectives, the duties of the military political organization are subdivided into the following:

- To establish the party's single ideological system;
- to exercise party leadership in military operations;
- to expand and strengthen party ranks;
- to strengthen and give guidance on the party's military line;
- to strengthen communistic and socialistic education;
- to strengthen the organization of the Socialist Labor Youth League;

- to stimulate preparation of alert and combat readiness postures;
- and to enhance a spirit of unity between party members and soldiers.

However, the most important thing here is the preemptive elimination of forces opposed to the Kim Il-song Father-Son System through the exposure of "antiparty and counterrevolutionary elements" under the name of establishing a single ideological system. That is, the establishment of a political organization as a surveillance structure within the military. Of KPA jargon, that used most frequently deals with the problem of surveillance. Some examples of this are "tongjjaggun" [tongjja means "everything"—secret informant one who goes and tells everything], "muro mokgi" [biting off a chunk and eating it—a plot, a slanderer], and "kkakdegi pokgigi" [stripping off hide—mutual criticism]. Not only this but various political meetings such as political training and comrade judgment meetings are also a method of surveillance .

The political organization within the Korean People's Army can be represented by the responsible secretary appointed to the Secretariat of the Political Department Central Committee of the Socialist Labor Youth League [members have no separate serial number while in the KPA; League membership cards are used instead]. Abbreviated Sa Ro Chong, it is the most extensive party "reserve unit" auxiliary organization, with all members of the People's Armed Forces required to join it.

However, the Political Department is organized so that there is a party cell in the platoon, the lowest echelon in the military, a party committee in the company, a first [lowest—Chogup] level party committee in the battalion, and a party committee beginning at the regiment level [the author used the same term, Tang Wi Won Hwe, for party committee throughout]. There is a political officer appointed to each of these organizations. The Political Department is the party committee's executive organ for political activities within the military. This is what is stipulated in Article 51 of the party regulations, "The General Political Bureau and its subordinate political organs, as the executive organs of the corresponding party committee, organize and carry out party political activities."

As for the secretarial organs, the political committee system was adopted in the January 1969 Military Commission of the Fourth Session WPK Fourth Congress. Political secretaries were selected in the Secretariat of the Central Committee and deployed at each echelon. Supervising all military operations, both political and military [as published], they are, in effect, the most powerful men within the KPA. Not deployed to echelons below regiment, they are stationed beginning at the independent regiment, division, corps, and even at the Ministry of People's Armed Forces. Below regiment, the political officers of the Political Department hold both political and military offices, but are also appointed by the Secretariat of the Central Committee.

'Third-Generation Revolutionary Teams'; Also Surveillance Organizations

There are other organs keeping watch on the Korean People's Army besides this political organization. They are the Political Defense Bureau, which is subordinate to the Ministry of People's Armed Forces, and the Military Police Bureau, which corresponds to our country's [South Korea's] military police. The Political Defense Bureau is a kind of surveillance organ with functions similar to those of South Korea's Defense Security Command. However, there is yet another. It is the Third Generation Revolutionary Teams, which inaugurated in a way similar to China's Red Guards in the 1970's. As a foundation for Kim Chong-il's pursuit of succession to power, it is an organization with tremendous power. There are various troubles which follow it, such as being made up of the younger generation. But for Kim Chong-il, it is his most dependable surveillance organization. They display their power in the Third Generation Revolutionary fields: ideology, culture, and technology, with no distinction between party, government, and military. Their greatest weapon is the "Direct Reporting System," which enables them to report directly to Kim Chong-Il. Their influence on all of North Korean society is immense. Not only do they have the power to drive out the aged and experienced labor cadre from each organization, but they have the influence to change the direction and even the methods of an operation. The following are examples of some of the jargon used to indicate members of the Third Generation Revolutionary Teams: "yard stick" [meaning "thorough"], "Widow Liquidation Assault Team" [meaning that they have affairs with widows], and "So what if I go rest in a place without yardsticks?" This author believes that the above examples of sarcastic slang give evidence of the power of these teams. We can also see it in the fact that, in the mid-seventies, Kim Il-song lamented the intergenerational strife and ordered that it should stop. [passage omitted]

From the outside, the KPA appears to pursue an iron command system and to be thoroughly obedient under the complete leadership of the WPK Military Commission. This may indeed be its outward shape, achieved in thorough surveillance, oppression, and ideological armament. It may also be that this comes from the control of information characteristic of the North Korean system.

However, psychological friction between the members of surveillance organizations and members of nonsurveillance organizations can be easily expressed, although not in a collective way. We can examine the causes of discontent among members of the KPA from various angles. First is the disgust that comes from a long term of service. Of course, a soldier in the KPA can do long-term service and systemic conditions are excellent when compared with other fields. It is easy to join the party, there are many opportunities to become an officer, and they are at an advantage for entering college after being discharged from the service. More than anything else, in their provisions and pay, they are treated better than in any other occupation.

However, the endless ideological education, harsh training, and, even more than this, the flashing watchful eyes make them feel even more disgusted with military life between their eighth and twelfth years of service. Limitations on leave and passes, and, of course, the creation of a fear of war are examples of this. Thus, they end up having a very dead-end way of thinking which says that if there is going to be war, it is best to get it over with soon. One defector who worked in a Civil Security battalion in the Demilitarized Zone said that not only himself, but also all his colleagues were most envious of the fact that South Korean soldiers got to wear red sweat suits when they exercised. What does his testimony mean?

Second is discrimination. The fact that family background is of elemental importance in joining the party, officer selection, leave, one's workplace, etc., is just as much a cause of severe friction in the KPA as it is in North Korean society. First is the friction arising from the fact that children from party cadre families are given special benefits in every way, but those who do not have this family background are excluded from these benefits. This phenomenon is a problem caused by political-centrism in the military. All this is because the cadre of the political departments make the decisions.

Third are irregularities such as bribery, etc. Although the scale of bribery in North Korean society is not that large, this writer believes it to be frequent. By this, we mean that it is a cause of friction stemming from the political worker's abuse of authority. It is a universally held opinion within the KPA that the more influential one's parents are the more frequent such abuse of authority is.

Fourth is anxiety about one's future after being discharged from the military. The KPA has a unique method of discharging soldiers from military service. Excluding a judicial discharge due to accident or disease, it is common for most to be stationed at a mine, forest production office, or collective farm through collective deployment (mass deployment). Even worse, there are cases in which groups are discharged on a regiment scale and deployed to mines or munitions factory. For soldiers who had desired to go to college, everything is lost. Even this selection is made by people working in the political branch.

In our study of the People's Army, we can see that thesoldier's distrust of the military stems from conflict with the political branch. Due to this, there have even been incidents in which low level officers pulled out their pistols and committed murder. The People's Army is in a state in which the adverse effects of exercising command authority have grown greater. [passage omitted]

This is an account from a visit to Panmunjom via North Korea by a certain researcher at the former Soviet Union's Far East Problems Research Center (IMEMO) [World Economics and International Relations Institute]. He was led to a room with pictures of the succession of North Korean representatives to the Armistice Commission hanging on the wall. However, the picture of Yi Sang-cho, the first representative, was missing. (After the armistice, Yi Sang-cho was [North Korea's] Ambassador to the Soviet Union. He was purged at that time and is now in exile in Russia) When he pointed this out to an accompanying KPA officer, the officer whispered quickly in his ear, "If only little Mother Kim Chong-Il was gone I'd immediately hang it up."

Kim Chong-Il is the personality who, as the chief of state, became the supreme commander of the KPA in 1992. What does the thinking of the young officer who did not hesitate to disparage Kim as "little mother" suggest to us?

There is also another account. This writer heard the story of a person from Seoul who visited Moscow and met a KPA general officer (name unknown, brigadier general) on a train by accident. A couple of hours passed and they came to share their inner thoughts. They were talking about this and that, when the subject turned to Kim Chong-il. The general whispered in the researcher's ear in a low voice, "Little Mother doesn't have any sense. He doesn't know the military at all."

Is that the reason? It appears that Kim Chong-il has a fundamental problem. Even while the vice-chairman of the National Defense Committee and supreme commander of the KPA, psychologically, he is unable to gain control of the KPA although, systematically, his position is guaranteed.

"Going into a pigpen with a pumpkin on your head." "Driving a donkey through the mud." "Like becoming village headman in a year of famine." All of these are popular slang words sarcastically referring to the supreme commander, Kim chong-il's behavior toward the military. Examples of the lower ranks of the KPA expressing themselves as truly as this are probably rare. [passage omitted]

There is no mistake that the KPA is the detonator of the nuclear time bomb of North Korean power. However, up till now there have been no indications that the KPA will act as an opposition force or transform into a force to replace the present system. The scrutiny of the KPA, in spite of this, is probably due to a sense of expectation caused by the fact that it is slightly open, since it is the group with the largest number of people who have studied in foreign countries, and is organized. However, as we saw above, would a coup d'etat or organized resistance be possible in a system of watertight surveillance? We cannot help but be negative regarding this problem. However, there is much skepticism about Kim Chong-il's military leadership ability. He has never experienced military life and his experience commanding a military group is not but a few days old. Furthermore, the present heads of the KPA are first generation revolutionaries.

Here is another story. Vice-Marshal Choe In-tok says that the young Kim Chong-il acted rude to him in everything when he was security bureau chief. One day, the angry Choe In-tok (a colonel general at the time) shouted, "Am I your aid?" These words become popular and the sarcastic slang, "'Am I your aid?' The wisdom of Choe In-tok" spread throughout the entire military.

Actually, concerning Kim Chong-il's experience with the military, the efforts to improve his image with them have gone to the extent that there is an adult revolutionary historical landmark where, it is said, Kim Chong-il scored a direct hit on a couple of penicillin bottles from a range of 100 meters and bivouacked with the Army when he was in college and there is a book he wrote entitled, *The Dear Leader Comrade Kim Il-song's Military Ideology*. There are also symbolic fabrications found in the People's Elementary School second grade textbook, *The Youth of the Dear Leader Teacher Kim Chong-il*. According to this, he like playing soldier when he was young, was always the leader "general" of the group he played with, and always won in fights. We also need to take note of the fact that, since become the supreme commander, Kim Chong-Il is being called "The Benefactor of Unification General Kim Chong-il."

Given the recent political situation in North Korea, in which a state of preparation for war has been proclaimed in Kim Chong-il's name due to the problems of "Team Spirit" and the demand for nuclear inspections, Kim Chong-il will not be able to widen his range of possible policy choices very much. Furthermore, it is certain that, in the growing economic crisis, the future of the KPA cannot be that bright.

The KPA must be reborn. This is because it is in no way a military which is heir to the anti-Japanese revolutionary traditions of Kim Il-song, nor a military of the people. They celebrate April 25th as Army Foundation Day, but there is not historical fact in it. It is a military built on a fiction. Thus, it must be renewed.

South Korea

Seoul Proposes Resumption of Dialogue With DPRK

SK2005022693 Seoul YONHAP in English 0208 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—Seoul, trying for a bilateral solution to the nuclear problem, proposed to Pyongyang Thursday [20 May] that they resume the dialogue suspended in September last year. The proposal, contained in a letter to North Korean Prime Minister Kang Song-san, calls for a meeting on May 27 to discuss the nuclear issue and other topics.

Officials said Seoul will address reunions of families separated from the 1950-1953 Korean war. Seoul decided on the proposal in a security strategy meeting early Thursday morning after a series of inter-ministerial preparation talks. Song Yong-tae, vice unification minister, and Yi Sung-kon, Seoul-side chairman of the inter-Korean Joint Nuclear Control Commission (JNCC), will head the South Korean delegation in the dialogue.

High-level dialogue between the prime ministers was held eight times but broke off in September last year amid growing suspicion over North Korea's secretive nuclear program. JNCC meetings partly between chairmen were held up to January this year, but that channel was also closed.

But Seoul officials were careful to distinguish the proposed May 27 dialogue from the prime ministers' meetings, with one saying that this was "a preparatory gesture to resume the high-level talks." "The proposal is in line with the U.N. Security Council's resolution urging all member states to persuade North Korea to return to the Nuclear Nonproliferation Treaty (NPT) and accept International Atomic Energy Agency (IAEA) special inspection," this official said.

The proposal was delayed for a week to wait until the council adopted the resolution, he said. International pressure has been mounting on North Korea since it declared its withdrawal from the NPT March 12. The withdrawal becomes final on June 12, after a three-month grace period.

Bilateral efforts have picked up since the U.N. resolution, with the United States expected to hold a high-level contact with the North Korean side this week. Seoul officials said they did not rule out the possibility of Pyongyang attaching conditions to the inter-Korean dialogue, such as demanding that non-governmental and dissident representatives be included. "Our position, and this is a firm one, is that the contact must be between the governments," one official said.

Proposal Concerns Nuclear Issue

SK2005092493 Seoul YONHAP in English 0914 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—The South Korean Government's proposal to North Korea for dialogue next week specifically aims at resolving the nuclear issue, the biggest obstacle to bilateral relations, Foreign Minister Han Sung-chu said Thursday. "Thursday's proposal is not designed to resume the inter-Korean dialogue that has been suspended for some time, but has a specific goal, which is to seek ways to solve the nuclear issue," Han told a news conference at the Foreign Correspondent's Club.

The decision, announced after a security strategy meeting in the morning, was closely discussed and the goverments of Japan and the United States were notified, he said. "If Pyongyang accepts the proposal and shows a positive attitude toward finding a solution to the nuclear issue, it will be conducive to setting up opportunities to discuss overall inter-Korean relations," he said.

The South Korean Government wished for dialogue at the earliest date possible, which fell on May 27 as it takes at least a week to prepare for such a meeting, he said. Han stressed that progress in inter-Korean relations, including economic cooperation, would be discussed only if North Korea both allowed outside nuclear inspection and returned to the Nuclear Nonproliferation Treaty, which it announced to leave two months ago.

He stressed that Pyongyang "must accept" international inspections before there is any cooperation. The government's proposal for talks should be understood as part of its strenuous efforts to make North Korea change its posture by actively supporting the international community's endeavors, Han said.

He predicted a second resolution by the U.N. Security Council before June 12, when North Korea's NPT withdrawal becomes effective, if Pyongyang doesn't change its policy before the deadline. "Whether the second one, following the May 11 resolution, will include sanctioning options depend entirely on Pyongyang's attitude in the upcoming U.S.-North Korea high-level talks and possible inter-Korean meeting," he said.

Touching on foreign policy issues other than the nuclear one, Han said South Korea decided to send a 250-member Army engineering unit to take part in UNOSOM II, the second phase of the U.N. peacekeeping operations in Somalia, at the request of the United Nations last February. The plan was approved by National Assembly on May 18, and the government was making preparations for dispatch by early July.

He also said a relevant bill to take domestic steps to support Korean comfort women, forced to provide sexual services for Japanese soldiers during World War II, was approved by the National Assembly. "We expected the Japanese Government, on its part, will do its best to make a clean break with the past and set the record straight for the future generations," he said.

North Said Not To Have Changed Nuclear Fuel Rods

SK2005082793 Seoul YONHAP in English 0816 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—South Korea, the United States and the International Atomic Energy Agency (IAEA) are trying to determine how far they can trust the hardline communist regime in North Korea, which recently deepened their distrust by delaying a change of the fuel rods at its 5-megawatt nuclear reactor. Well-informed sources say an IAEA inspection team that has been in Pyongyang since May 8 was told that the rods cannot be changed.

Samples from the reactor core are crucial to determining how many times spent fuel was reprocessed to produce plutonium. North Korea told the IAEA that the rods would be changed last year, then it said this April, then May, and now at an indefinite time in the future because of "technical problems."

The U.N. Security Council adopted a resolution last week demanding North Korea return to the Nuclear Nonproliferation Treaty (NPT) and accept IAEA inspection of two suspected nuclear sites. Officials say mistrust of North Korea is adding another demand, that it faithfully comply with IAEA routine inspections as well. This demand specifically addresses new worries about whether Pyongyang will allow access to the 5-megawatt reactor.

"There are really three demands on North Korea, not just the two stated in the U.N. resolution. Only when all three have been met will the security council let go of the North Korean nuclear issue," one official said.

Seoul, Washington and the IAEA all agree on the urgency of the problem, but none of them can initiate action with confidence because none of them know or can predict accurately what North Korea will do. This uncertainty led the United States to limit the scope of its high-level contacts with North Korea. Unlike January last year, when an undersecretary of state represented America, Washington is said to have decided on Robert Gallucci, an assistant secretary of state. "Washington apparently is sending a message to Pyongyang that the contact will be purely limited to the nuclear issue by naming Gallucci rather than Undersecretary Peter Tarnoff like last year," the official said.

Seoul officials do not rule out the possibility that the U.S. representative will be upgraded to someone like Tarnoff, but they say this would be on condition that North Korea indicates unequivocally that it is committed to solving the nuclear situation. The officials say the only choice now is for the three parties to draw a clear picture of what the carrots will be if North Korea shows the determination.

South Korea initiated action Thursday by proposing a meeting with North Korea next week to discuss the nuclear problem. Government sources said Seoul will focus on "guarantees" that the United States cannot offer, like substantive inter-Korean economic cooperation and a promise not to undermine its political regime.

The IAEA, too, is working on a compromise with North Korea by adjusting its demand for "special inspection." "What we want is an equivalent of special inspection," said the government official. "Results are important, not the name." Although the arrangement will be strictly up to the IAEA, the official said Seoul is all for such adjustments.

Minister: DPRK Action Encourages Proliferation

SK2005005593 Seoul YONHAP in English 0039 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—If North Korea goes nuclear, it will cause South Korea and Japan to do the same, Foreign Minister Han Sung-chu predicted Wednesday [19 May]. North Korea's defiance of international deterrence to its nuclear development would intensify pressure on the volatile communist regime, inviting a dangerous situation on the Korean peninsula, he said.

"We must deter North Korea's nuclear development in all circumstances," Han said in a lecture at Korea university. "If North Korea acquires atomic weapons, it raises the likelihood of Japan doing the same and gives stronger voice to demands within South Korea to do likewise."

Asked about inter-Korean economic cooperation, the foreign minister said it could not be separated from the process of solving the North Korean nuclear situation. "Political and economic ties with North Korea do not have to be suspended until full resolution to the problem," said Han. "We cannot say now exactly when economic relations will resume, but it will reopen when the problem nears solution."

Han welcomed the fledgling Asia-Pacific regional cooperation such as the Asia-Pacific Economic Cooperation (APEC) and the Association of Southeast Asian Nations (ASEAN), expecting them to contribute to economic cooperation and security dialogue. "But these organizations are not the final versions. We need another body of multilateral cooperation," he said.

The foreign minister predicted a continued U.S. presence in the region for its economic and security interests but growing burdensharing for host countries to American servicemen. "But the increase in the burden is a reflection of true partnership rather than a result of U.S. military scaleback," he said.

Radio Reports Claim of Vessels Entering DPRK Waters

SK1905235393 Seoul KBS-1 Radio Network in Korean 2215 GMT 19 May 93

[AP-YONHAP report from Tokyo]

[Text] North Korea claimed that ROK Navy vessels infiltrated the North Korean territorial waters of the West Sea, tried to kidnap the North Korean fishermen who were catching fish, and fled when a North Korean patrol boat appeared.

North Korea's Korean Central News Agency monitored in Tokyo yesterday claimed this and said that this is a grave military provocation to aggravate tension between North and South Korea.

Students Demonstrate at U.S. Center in Kwangju

SK2005010593 Seoul KBS-1 Radio Network in Korean 0000 GMT 20 May 93

[Report from Kwangju]

[Text] At 2030 [1130 GMT] on 19 May some 1,500 students belonging to the South Cholla Provincial University Students Union [Namchonnyon] held a violent demonstration in front of the American Center located in Yangnim-dong of Kwangju city for over two hours, demanding that U.S. Army PFC [private first class] Markle, who killed the Korean woman Yun Kum-hui, be sentenced to death.

A clash took place between students and police during the students' demonstration, and some 40 students and policemen were injured.

Earlier, at 1700 [0800 GMT] on 19 May, students from Namchongnyon held a demonstration in front of the Tongbu Police Station in Kwangju city to protest the police's violent act in suppressing the students' 11 May demonstration in the city.

Students To Begin 'Anti-U.S. Struggles' 22 May

SK2005111293 Seoul YONHAP in English 1103 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—With their protest drive against former presidents Chon Tu-hwan and No Tae-u being almost over, the National League of College Student Organizations (Hanchongnyon) now plans to concentrate on struggles against the United States which it claims is "abetting tension on the Korean peninsula."

A leader of the league said on Thursday the league will launch anti-U.S. struggles beginning with a protest rally called "Rally for Resolution Against the United States, the Mastermind of Kwangju Massacre and the Increase of Tension on the Korean Peninsula" set to take place at Tankuk University on May 22. "We will make a protest visit to the American Embassy and stage other struggles against the conspiracy of the United States scheming to abet tension on the Korean peninsula after North Korea's withdrawal from the Nuclear Nonproliferation Treaty," he said.

The league's campaign against the two ex-presidents in connection with the Kwangju incident came to a virtual end on Wednesday afternoon when about 200 students from the Kwangju area who formed the mainstay of the "suicide team to arrest Chon and No" returned home.

Health Ministry Detects Insecticide in U.S. Wheat

SK2005041693 Seoul YONHAP in English 0241 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—A residue of insecticide malathion has been detected in part of a shipment of U.S. wheat, the Health and Social Affairs Ministry said Thursday. A ministry spokesman said that 1,500 tons of soft white wheat had 3 ppm of malathion out of 25,390 tons unloaded on April 27 in Pusan, and the Pusan quarantine station was inspecting the cargo.

Daesung Milling Co. and two other millers had bought the wheat produced in the State of Oregon, the spokesman said. The limit for residual malathion is 2 ppm, and so the wheat was declared unsuitable for food processing.

It is the third time excessive pesticidal residues have been found on wheat from the United States. Affected wheat is either burnt, returned to the exporter or put to another use such as animal feed.

The ministry declared the remaining 23,890 tons safe as it contains only 0.062 ppm to 0.426 ppm of malathion. Malathion is used for killing green leafhoofers and may cause vomitting and difficulty in breathing if ingested in excessive amounts.

Environmental Talks To Be Held With PRC 15-17 Jun

SK2005074193 Seoul YONHAP in English 0655 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—South Korea and China will hold first environmental talks on June 15-17 in Beijing. Seoul will urge Beijing to cooperate in reducing the industrial pollution and yellow sand being blown across the yellow sea and reaching Korea, Foreign Ministry officials said Thursday.

Seoul suggested the talks in January with a draft environment cooperation agreement, and Beijing proposed the meeting dates, the officials said. Korea will ask China for materials related to pollutant emissions and recommend long-term plans covering environment technology transfer, the officials said.

Customs Preclearance System To Be Adopted With Russia

SK2005081393 Seoul YONHAP in English 0741 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—Customs cooperation between South Korea and Russia may soon improve as a result of the adoption of a customs preclearance system at the second Korea-Russia talks on cooperation in the customs field, which opened Thursday in Seoul. The six-day meeting is also expected to establish sisterhood ties between the Kimpo and Moscow airport customs offices, the office of customs administration said on Thursday.

With the customs preclearance system, Russia will appoint a Korean organization to inspect export goods, which will then be allowed to pass straight through the Russian customs. Sisterhood ties will enable Korean passengers and freight to pass through Moscow customs with more ease.

In the meeting, the Koreans will explain to the Russians that Korean goods have difficulty entering the Far Eastern ports of Russia and call for understanding. Both sides will also discuss ways to stop smuggling. The five-member Russian delegation arrived Wednesday. After the meeting, they will visit Kyongju and Pusan.

President Proposes Closer Asian Economic Ties

SK2005104493 Seoul YONHAP in English 0953 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—President Kim Yong-sam said on Thursday closer economic cooperation among Asian regional countries will be one effective way to surmount advanced countries' protectionism. The president made the remarks while meeting at Chongwadae with governors of Southeast Asian countries' central banks now in Seoul attending their 28th meeting. The 15 visitors included Tan Sri Dato Jaffar Bin Hussein, governor of the bank of Malaysia.

President Kim said that despite global economic recession, the Asian area has been recording a high growth, adding that given the economy volume and population of the region, Asia won't lag behind the economic sphere of Europe or North America. "Efforts of all of us will be needed to strengthen economic cooperation in the Asian region, and we in particular should step up economic assistance for those Indochinese countries that have lately switched to the market economic system," Kim said.

The president said that South Korea, in its part, will share its experience in economic development with any country that need it. "We will not spare necessary support for such countries," he said. Noting that advanced countries have, after the collapse of the Cold War, turned to both regionalism and protectionism in their economic interest-first policy, President Kim asked the governors to pool their wisdom at the Seoul meeting to cope wisely with the difficulties.

President Urges DLP To Follow Up on Ethics Law

SK2005080793 Seoul YONHAP in English 0738 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—President Kim Yong-sam told the ruling Democratic Liberal Party [DLP] Thursday to work out follow-up measures to the revised ethics law for public servants that has just been passed by the National Assembly. The instruction came in a meeting with DLP Executive Chairman Kim Chong-pil at Chongwadae.

The National Assembly on Thursday unanimously adopted the law, which had been ironed out by the Special Committee on Political Affairs following overnight debate. With the passage of the amended ethics law, the National Assembly closed the 161st extraordinary session, convened nearly a month ago to provide, among other things, a legal basis for President Kim's reform program. The 19 other items of legislation that the assembly passed during the 26-day session included a law easing regulations on business enterprises.

The nation's unicameral legislature also approved a plan to send an army engineering unit to Somalia as part of the United Nations Peacekeeping Operation (PKO) and adopted a resolution urging an early resolution of the

North Korean nuclear issue. The assembly accepted the resignation of Speaker Pak Chun-kyu and elected Rep. Yi Man-sop of the ruling Democratic Liberal Party to replace him. It also rejected an opposition proposal seeking the resignation of Prime Minister Hwang In-song for stating that the "coup-like" military action on Dec. 12, 1979, was not illegal.

Pak Chun-kyu left the assembly in a controversy involving the disclosure of his personal assets, some of which were suspected of having been amassed in dubious ways. It was the disclosure of personal assets by public officials, encouraged by President Kim, that sparked a controversy over its legality. The National Assembly had specifically been asked to lay the legal ground for Kim's reform program by revising the ethics law for public servants.

The new ethics law calls for the disclosure of personal assets of government and other public officials of grade one and above, affecting some 7,000 or so officials. It also requires more than 30,000 officials of fourth grade and above to register their assets with the government.

The first disclosure of personal assets by senior officials could take place in mid-September or early October. It could possibly signal a second wave of purges of public officials, according to analysts.

In addition to personal asset disclosure and registration, the new law provides provision for punishment of violators. Under the law, those who make false reports on their assets will be subject to a warning or correction action, fined less than 20 million won, their names posted in daily newspapers, or disciplinary action or forced resignation. Any official who uses his or her position in order to make money could face imprisonment of less than five years, a fine of 50 million won or less and confiscation of the money illegally acquired.

If any official handling the registration of personal assets of public official leaks information or violates regulations banning employment at public post-related jobs for a certain period of time after resignation, he or she will be subject to imprisonment of one year or less and a fine of 10 million won or less. In another development, Kim asked the ruling party to reorganize it's provincial branches timed with the by-elections in June before getting ready for a regular National Assembly session in September.

Kim also instructed that the nation's lawmakers should try not to go abroad on alleged but unnecessary parliamentary business during the assembly's recess. They should go only when it is absolutely necessary for them to do so, Kim was quoted by party Spokesman Kang Chae-sop as saying.

Democratic Party Urges Prime Minister's Replacement

SK1705080093 Seoul YONHAP in English 0656 GMT 17 May 93

[Text] Seoul, May 17 (YONHAP)—The main opposition Democratic Party tabled a motion in the National Assembly Monday, proposing that Hwang In-song be replaced as prime minister for his remark that the Dec. 12, 1979, "coup-like" incident was not illegal. The proposition was submitted in the names of 103 representatives—all DP lawmakers, seven members of the United People's Party and Pak Chan-chong, chairman of the New Political Reform Party.

In the motion, the opposition lawmakers said they were proposing that President Kim Yong-sam replace hwang immediately because he had "distorted history and damaged the legality of the constitutional form of government" by saying the Dec. 12 incident was not illegal when in fact the coup-like action had damaged the nation's legal system and the development of democracy.

"The prime minister's official remark on the Dec. 12 incident was a very dangerous attitude that tried to justify an illegal act by some military officers and damage the basic principle of the civilian government," the proposition said. Hwang's statement and action ran counter to the spirit of the law and the people's sense of history, and could be abused by some who may try to justify rebellious acts in the future, it said.

A proposition asking for the replacement of a prime minister needs the assent of one-third of the 299 lawmakers in the unicameral legislature for it to be submitted to the assembly. The National Assembly must vote on it between 24 and 72 hours after the submission of the resolution. It is expected to be tabled at a plenary session around Wednesday. It should win at least 50 percent of the lawmakers on the register if it is to be adopted.

Former Army Colonel Sues Ex-Presidents Over Coup

SK1905115293 Seoul YONHAP in English 1127 GMT 19 May 93

[Text] Seoul, May 19 (YONHAP)—A retired Army lt. colonel sued former Presidents Chon Tu-hwan and No Tae-u at the Supreme Public Prosecutor's Office Wednesday on charges of insubordination and disobedience in connection with the December 12, 1979 incident. Kim Kwang-hae, age 51, who was an aide to Maj. Gen. Ha So-kon, Army deputy chief of staff for operations, at the time of the incident, said, "the December 12 incident was the worst case of insubordination since the founding of the military."

Kim, who is now publisher of the monthly "TRANSPORTATION JOURNAL," said the two ex-presidents who he said masterminded the incident should be duly punished. He said he himself was wounded at the Army headquarters on the night of Dec. 12, 1979 when hit with a bullet fired by one of first airborne brigade troopers as they attacked the Army headquarters after they were mobilized by rebel generals.

Maj. Gen. Ha, too, was wounded as he was fired on by capital garrison command m.p. Capt. Han who sided with the Chon Tu-hwan group, Kim said. Kim's complaint brings to five the total of the lawsuits filed so far against the two former presidents.

'Lack of Teamwork' Hinders Economic Reform

SK2005065093 Seoul THE KOREA TIMES in English 20 May 93 p 8

[By staff correspondent Pak Yun-pae]

[Text] The economic team of the Kim Yong-sam administration is under fire due to its lack of teamwork in implementing major economic revival programs. The growing feud between the relevant economic agencies has been a stumbling block to the timely implementation of various economic plans.

The latest standoff stemmed from an Economic Planning Board's [EPB] plan to force family-owned business conglomerates, or chaebols, to give up some of their equities to commercial banks in exchange for debts owed to them. The idea of converting corporate debts into equity was proposed in the guideline of the new economic plan unveiled in mid-April.

The debt-for-equity swap is designed to reduce chaebols' excessive influence on the business sector and their concentration of economic power due to the superfluous amount of shares owned by family members and to separate business ownership and management. As Yi Kyong-sik, deputy prime minister-economic planing minister, made public his intention to include the measure in the new economic plan last Friday, the Ministry of Finance [MOF] strongly opposed the EPB plan immediately.

The MOF claimed that the EPB debt-for-equity idea could infringe on the interests of depositors and undermine the healthy management of commercial banks. However, Han I-hun, chairman of the Fair Trade Commission affiliated with the EPB, reaffirmed his earlier position that the commission will hammer out all possible means to translate the plan into action.

The commission has been pushing for the separation of business ownership and management of chaebols since the Kim administration came up with chaebol-bashing policies in its belief that the concentration of economic power in their hands has hurt Korea's overall industrial competitiveness. With growing dissatisfaction from big business concerns with the new economic policy, the disharmony within the economic policy-making bodies will have a negative effect on President Kim's wide-ranging reform measures, observers say.

The problem is that the related ministries are sticking to their own positions in their desperate attempt to excessively protect their own turf in working out a long-term plan, turning a blind eye to national interests and the well-being of society, they said. The government will have difficulties in putting in motion the economic plan and there will inevitably be confusion among policy makers and coordinators if the cacophony continues to exist in the economic team, they said.

Another discord surfaced between the Finance Ministry and Ministry of Trade, Industry and Energy (MOTIE), concerning a new industrial development policy. The MOTIE has often said that it will stimulate big business concerns to specialize in some strategic industries. And the ministry plans to provide financial support and tax incentives for chaebols to that end.

But the MOF reacted angrily to the MOTIE plan by insisting that the existing financial incentives for several key subsidiaries of each group, which is aimed at nurturing the competitiveness of chaebols to support them, is sufficient. The MOF is criticizing that the MOTIE industrial specialization policy and its financial support will lead to the monopoly of bank loans by a few business groups. MOF officials also opposed another MOTIE plan that general trading companies and distribution firms will be added to core companies of chaebols in the new five-year economic plan.

The MOTIE is considering expanding chaebols' ownership of small and medium companies from the current 10 percent to 25 percent in order to strengthen the cooperation between them. The MOTIE is likely to cling to its plan, despite confrontation with the MOF, some ministry sources said.

On top of this, a clash also occurred as the Construction Ministry came up with a plan to develop 1.1 million hectares of farm land for purposes other than farming. But the Ministry of Agriculture, Forestry and Fisheries proposed its own plan to develop only 340,000 hectares to avoid land speculation.

Bank Supervisory Body Sets Deposit Guidelines

SK2005065393 Seoul THE KOREA TIMES in English 20 May 93 p 9

[By staff correspondent Cho Chae-hyon]

[Text] The Office of Bank Supervision [OBS] has came up with a more transparent set of guidelines on banks' compensating balances in a move to effectively curb mandatory deposits linked to loans. The OBS said yesterday it will define compulsory deposits exceeding 10 percent of the value of the loan as "excessive."

In a move to effectively check the excessive collection of mandatory deposits, the bank watchdog body unveiled for the first time its new guidelines on compulsory deposits, which go into effect today. Under the new rules, the OBS will take punitive action against domestic and foreign banks if they are found to be asking for compulsory deposits that surpass 20 percent of the value of a single loan. If they are found to have received compulsory deposits of 10-20 percent of the loan, banks will be given a warning, but they are subject to punishment if they receive more than 20 percent.

Announcing the guidelines, the OBS said it decided to disclose its internal regulations in terms of making the regulations more transparent. Previously, the OBS prohibited banks from receiving compensating deposits through window guidance because it had not issued any written regulations against the practice.

The previous window guidance was so complex and gray in its calculation methods that misunderstandings rose involving inspectors' investigations of accounts in their regular audits of banks, according to many bankers. The 10 percent ceiling on compulsory deposits went into effect last September for domestic banks and in March for foreign banks through OBS verbal instruction.

Most bankers led by foreign bankers have criticized the OBS window guidance over its lack of transparency. Through making the guideline public, the OBS reaffirmed its commitment to making various regulations more transparent.

An OBS official said the revised regulations are aimed at minimizing the negative effects of the crackdown on excessive compensating balance by rationalizing the guidelines and considering banking customs. The OBS will adopt the mandatory deposit ceiling per company and loan, but it will lift the ceiling per branch. It has investigated deposits that are opened 10 days before and after companies borrow money to check whether banks received excessive compensating deposits.

The bank watchdog body will also punish bank officials including executives who are responsible for receiving more than 20 percent of loan. The punitive actions include cutting pay, suspension and dismissal of bank officials.

If they asked for more than 10 percent and the value of the deposits are more than 50 million won they will also be punished. The OBS will order banks to correct the compensating balances below 10 percent if the deposits were made through coercion by banks. However, the new regulations exclude foreign currency loans from the compensating balance calculation. Thus foreign currency loans will not be linked to mandatory deposits. It also expanded the range of the companies' deposits which are voluntarily opened by companies when they borrow from banks.

Companies' time and trust deposits which are opened in line with facility and operating loans will be regarded as "innocent" deposits, the OBS said. The expansion of the innocent deposit range is aimed at helping companies have the money to repay their loans thus easing their financial burden. With the expansion of the innocent deposit range, an OBS official said, banks will be able to draw more deposits in return for loans and reduce the possibility of the loans turning sour.

Seoul To Use Tax Laws To Reduce Number of Chaebols

SK1505020893 Seoul THE KOREA HERALD in English 15 May 93 p 8

[Text] The government will reduce the portion of corporations currently owned by individual families by strictly enforcing tax and other laws, a top economic policymaker said yesterday. Deputy Prime Minister Yi Kyong-sik said the government, however, will not rely on forcible means in dispersing corporate ownership.

Yi's remarks followed a statement by the Federation of Korean Industries, which said Tuesday that it would accommodate public criticism on large enterprise groups, or chaebol, dominated by families. After a meeting of its members, the FKI said chaebol will solve their problems on their own. It is generally agreed that the concentration of wealth in the hands of a select few goes against economic justice, Yi said, adding that he welcomes the FKI's decision.

The government, he said, will strictly enforce the Monopoly Regulation and Fair Trade Act, under which the nation's top 30 business groups are required to reduce cross debt payment guarantees by their subsidiaries to 200 percent of their net worth by 1996. Under the law, the Fair Trade Commission also regulates trade practices hindering fair competition and business groups' internal trade.

If corporations cannot borrow as much as in the past as a result of a reduction in cross debt payment guarantees, he said, they will have to issue new stocks, thus deconcentrating the ownership of corporate equity by large shareholders. He said the government will prevent the evasion of inheritance and gift taxes, which will also reduce a family's share of corporate ownership.

President Kim Yong-sam's government will strictly enforce fair trade and tax law, he said.

"Past governments promised to do this," he said. "But they failed to do so. That was the problem."

Ministry To Revamp Defense Contract Procedure

SK2005055593 Seoul THE KOREA TIMES in English 20 May 93 p 3

[Text] The Defense Ministry decided yesterday to drastically restructure the system to award contracts on procurement of military material and equipment in its attempt to root out irregularities in connection with purchases. An official said that revamping the contract award system would bring about a sharp reduction of private contracts, which accounted for more than 85 percent of the total contracts awarded defense industry firms last year. The official said that such a high rate of private contract awards was the root cause of suspicions of favoritism, corruption, exorbitant prices of material and supply of poor-quality materials.

The ministry is seeking to introduce the contract award system through limited or designated competition, beginning next year, according to the official. It will complete, within this year, selection of items of materials and defense contractors which are qualified to take part in biddings under the new contract system. Chiefs of government ministries and agencies are authorized to award defense industry companies private contracts on procurement of war materials under the Budget Accounting Law, in case of necessity.

Statistics show that the contracts awarded by the ministry on procurement of materials last year amounted to 3,804.5 billion won (roughly 4.81 billion U.S. dollars). Private contracts reached 3,223.6 billion won or 85 percent of the 3,804.5 billion won. This year, negotiated contracts account for about 35 percent of the 9,200-billion-won defense budget for fiscal 1993, the figures added.

Ministry Urges Compulsory Semiconductor License System

SK1805021593 Seoul THE KOREA HERALD in English 18 May 93 p 8

[Text] Domestic semiconductor manufacturers will find it easier to obtain advanced technologies related to the layout design of semiconductor integrated circuits, which have been registered in Korea but left unused for more than two years. The Ministry of Trade, Industry and Energy said yesterday it has worked out a proposed enforcement decree of the Semiconductor Protection Law calling for the introduction of a "compulsory license system" against unused layout design rights.

Those who hold layout design rights in Korea cannot unfairly turn down a request from local chip makers to use their licenses with payment of royalties. The government can enforce use of the registered layout designs if the Fair Trade Commission declared their refusal unfair.

The compulsory license system and others will be contained in the projected enforcement degree, which is to be announced tomorrow, the ministry said. Under the Semiconductor Protection Law, promulgated last December, the compulsory license system is also granted if necessary for national security, ministry officials said. A compromise proposal by GATT Director-General Arthur Dunkel favors the compulsory license system during the stalled talks under the auspices of the General Agreement on Tariffs and Trade.

The Washington Convention on Semiconductor Integrated Circuits, inked in 1989, also supported the system, but advanced countries, including the United States, have refused to sign the document, ministry officials said. Anyone wanting to view data about registered layout designs will be permitted to do so in the presence of relevant government officials, but the maps and pictures cannot be copied in order to protect trade secrets.

Prime Minister Urges State Action on False News Reports

SK2005070793 Seoul YONHAP in English 0616 GMT 20 May 93

[Text] Seoul, May 20 (YONHAP)—Prime Minister Hwang In-song instructed government agencies Thursday to resolutely deal with false news reports. Wrong information confused the public and made it difficult for the government to manage state affairs properly, Hwang told the cabinet. He urged vice ministers to take responsibility for public relations and brief reporters thoroughly on government policies every day, Information Minister O In-hwan said after a cabinet meeting.

Hwang said that a ministry affected by unfounded reports should discuss ways to stop them with the news organization. If the practice was not corrected, then the ministry should file a complaint with the press arbitration commission and even take the offending media organization to court, he said.

O said that there had been 72 fake news reports on the front pages or city pages of newspapers or on radio and television since the new government was established in February. The government and media should make a concerted effort to help prevent false or unfounded stories from appearing, he said.

Lawmaker Suspected of Accepting Cash Exits Country

SK1805123993 Seoul YONHAP in English 1202 GMT 18 May 93

[Text] Seoul, May 18 (YONHAP)—Rep. Yi Won-choe of the ruling Democratic Liberal Party , under suspicion of having received a large amount of money from a bank head, left the country on Tuesday morning. Reaching Kimpo airport without any aide, Yi boarded a 10:35 A.M. Northwest plane heading for Tokyo. It was not immediately known where Yi was visiting as the plane's final destination was Hawaii.

Rep. Yi has been under the suspicion that he had received a large amount of money from An Yong-mo, president of the Tonghwa Bank. The prosecution planned to question him as soon as the current National Assembly session comes to a close. An associate of Yi, however, denied his journey was to escape prosecution probe. "Rep. Yi has been stricken by liver disease and diabetes. We understand he had gone abroad to get treatment," he said.

Burma

Energy Delegation Leaves for PRC 19 May

BK1905144693 Rangoon Radio Burma in Burmese 1330 GMT 19 May 93

[Text] A five-member Myanmar [Burmese] delegation led by U Tin Tun, deputy minister of energy, at the invitation of the Yunnan Measuring and Equipment Export and Import Corporation, YMEC, and China International Trade and Investment Corporation, CITIC, left Yangon [Rangoon] by a CAAC flight this morning for the People's Republic of China [PRC]. For two weeks, the delegation will study hydroelectric power enterprises and (?high pressure) steam turbines.

The delegation was seen off at Yangon Airport by U Khin Maung Thein, minister of energy; directors general and managing directors of departments and enterprises under the Ministry of Energy; responsible personnel; and Mr. (Shang Gebei), economic and commercial attache of the PRC Embassy.

The minister was accompanied by U Bo Khin, chief engineer of the Myanmar Electric Power Enterprise; U Sein Tin and U Tin Shein, deputy chief engineers; and U Aung Khin and U Win Myint Aung, executive engineers.

General Khin Nyunt Tours Kachin State

BK1905074193 Rangoon Burma Television Network in Burmese 1330 GMT 18 May

[Excerpts] Lieutenant General Khin Nyunt, secretary 1 of the State Law and Order Restoration Council [SLORC] and chairman of the Work Committee for Development of Border Regions and National Races, arrived in a military plane at Myitmyina, Kachin State on the morning of 16 May. Lt. Gen. Khin Nyunt was accompanied by Lt. Gen. Kyaw Ba, minister of hotels and tourism; Lt. Gen. Maung Thint minister for development of border regions and national races; Lt. Gen. Thein Win, minister of transport; Brigadier General Myo Thant, minister of information; Colonel Pe Thein, minister of education; Lieutenant Colonel Pe Nyein, director general of the Office of SLORC; director generals, managing directors, and responsible officials from the departments and enterprises concerned.

The secretary 1, ministers, and their entourage, accompanied by Brigadier General Saw Lwin, commander [of the Northern Command], then proceeded to Panwa, Chipwe Township, and inspected construction projects. [passage omitted] Next, the entourage inspected a border pillar marking the border between Myanmar [Burma] and China. The secretary 1 and his entourage inspected Panwa Hydroelectric Power Project and later met with leaders of Kachin nationals led by U Za Khung Ting Ring [a delegate from Kachin State Special Region 1 at the recent National Convention in Rangoon] in Panwa Middle School and discussed regional development projects for the border region and national races.

Speaking in response to a submission by U Za Khung Ting Ring on regional projects, Lt. Gen Khin Nyunt said that, although this was the first time he was meeting the indigenous leaders and kindred people of the Panwa region, he was happy to be present on this occasion, which was like a family reunion. He said he and the ministers in his entourage had come to make the necessary arrangements for the development and progress of the entire Kachin State, including the Panwa region, and he explained that regional development work would be carried out in stages in response to the submission of U Za Khung Ting Ring, an indigenous leader.

Lt. Gen. Khin Nyunt noted that the Panwa region was becoming peaceful and stable and that, although it had been only three years since the regional development scheme was initiated, the Panwa region was developing fast due to the endeavors and cooperation of the indigenous leaders and the people.

Lt. Gen. Khin Nyunt explained that, although the national government has the desire to work for the development of the indigenous people, it is necessary to have local peace and stability. He said the entire Kachin State, including the Panwa region, lagged behind in development because of a lack of peace and stability in the country and internal insurgency. The development is fast in stable and peaceful regions where the national government is able to undertake development projects. Regions where no peace and stability prevail lag behind in development.

He said the national government wants the entire Kachin State to quickly become peaceful, stable, and developed. He said that while the national government is striving to bring about peace and stability in the entire Kachin State, it is necessary for the indigenous people to cooperate in this endeavor.

Continuing, Lt. Gen. Khin Nyunt explained that the SLORC had been making its utmost efforts for the all-round development of the country over the last four years and that it had achieved considerable success in obtaining political stability and that success had also been achieved in the country's economy year after year. [passage omitted]

Lt. Gen. Khin Nyunt said the SLORC is working for the Union of Myanmar—which will last for ever—enduring solidarity among the fraternal national people, and the perpetuation of the independent Union of Myanmar. Therefore, he said the local people should uphold the three cardinal causes [nondisintegration of the Union, nondisintegration of national soldiarity, and perpetuation of national sovereignty] and work hand in hand with the national government for development in their respective regions as well as in the [Kachin] State and the entire nation, and make efforts in regard to unity and harmony.

The indigenous leaders then presented the secretary 1, the ministers, and members of the entourage with traditional gifts and the secretary 1 presented the gifts in return to the indigenous leaders. After the presentation of the gifts, the secretary 1 and his entourage took souvenir pictures with the indigenous leaders.

The secretary 1 and the ministers then proceeded to Chipwe High School, where they discussed the needs of the region with departmental authorities and local people from Chipwe and Sawlaw. [passage omitted] Speaking on the occasion, the secretary 1 said the national government is making more and more efforts each year to improve transport and communications and that the alloted funds permitted under the state budget are being used for upgrading the road between Myitkyina and Chipwe, adding that it is necessary for the local people to endeavor and work for the success of the projects.

Continuing, Lt. Gen. Khin Nyunt said that the national government has frequently invited the insurgent organizations to return to the legal fold in order to operate within the framework of law according to the correct political path. He said it is necessary for the indigenous people to work hand in hand with the government to ensure the prevalence of law and order and local peace and tranquility. [passage omittted]

On the morning of 17 May, Lt. Gen. Khin Nyunt, received Mr. (Shin Jin Yin), commissioner of the Baoshan region in the People's Republic of China, and his delegation in the Malikha House of the Northern Military Command. [passage omitted] The secretary 1, the ministers, and the Chinese delegation took pictures together after holding talks on the hotel industry, tourism, border trade, and the dissemination of agricultural technology.

Next, the secretary 1 and the minister left Myitkyina in a military plane and arrived at Bhamo at 0945, and later held a meeting with departmental authorities in No. 1 Basic Education High School in Shwegu. The secretary 1 and his entourage paid homage and presented offertories to senior abbots led by Agga Mahapanita Bhadanta Nyana in the Myoma Monastery. Next, the entourage held a meeting with departmental authorities and members of law and order restoration councils from the Katha District after visiting the People's Hospital in Shwegu. [passage omitted]

The secretary 1 and party returned to Bhamo at 1830 after visiting historic Bhumi Zeya Pagoda.

Lt. Gen. Khin Nyunt and the ministers held a meeting this morning in Bhamo's Aweiyar Hall with township- and district-level departmental officials and public servants. [passage omitted] The secretary 1 and the entourage returned to Yangon [Rangoon] in the afternoon.

Air Force Bombs Karen Guerrillas in Southeast

BK1905060493 Hong Kong AFP in English 0541 GMT 19 May 93

[Text] Bangkok, May 19 (AFP)—Burmese government troops have launched airstrikes against ethnic minority guerrillas in eastern Burma in a new outbreak of fighting, guerrilla sources said Wednesday. Burmese airforce PC-7s attacked Karen guerrillas in south eastern Burma on three occasions between May 8 and May 12, a guerrilla official said.

A Thai military commander on the Thai-Burmese border confirmed that there has been a recent upsurge of fighting between Karen rebels and Rangoon troops in the area about 70 kilometres (43 miles) south of the Burmese border town on Myawaddy.

The guerrilla official said the air strikes were launched after a group of Burmese troops were surrounded and trapped by the guerrillas. The Burmese troops had since managed to break out of the trap and rejoin their main force, he said. Neither the guerrilla official nor the Thai commander had information about casualties.

The fighting comes at the end of a relatively quiet dry season when Burmese forces usually take advantage of the weather to mount large-scale offensives aginst the Karen and other opposition forces.

The Burmese regime announced in April last year it was suspending offensive operations against the ethnic minority rebels in the interests of national reconciliation.

While there have been clashes since then and the Karen have lost two important bases to Burmese forces the level of hostilities has been the lowest for many years. Karen and other ethnic minority rebels have been fighting Rangoon for greater autonomy for decades. They have been joined in recent years by dissident fighters from Rangoon and other towns who fled to guerrilla zones in the aftermath of an unsuccessful pro-democracy uprising in 1988.

Cambodia

Hun Sen Says Elections To Produce 'Legitimate Government'

BK1905121693 Hong Kong AFP in English 1145 GMT 19 May 93

[Text] Phnom Penh, May 19 (AFP)—Next week's elections will produce a legitimate government for Cambodia and the Khmer Rouge will become outlaws, Phnom Penh Prime Minister Hun Sen said Wednesday [19 May].

He added that if his party won the elections: "We will not allow the Khmer Rouge to control and administer parts of the country as if it is another Cambodia."

Hun Sen, whose ex-communist Cambodian People's Party looks set to grab a large piece of the vote in the May 23-28 poll, pledged to build a Cambodia ruled by law, nurturing democracy and served by a free press that would be encouraged to attack official corruption.

But he warned that the Khmer Rouge would try to disrupt the elections, which they are boycotting because they claim the Vietnamese troops that installed the Phnom Penh Government 14 years ago remain in Cambodia.

"This is the last gasp of the Khmer Rouge," Hun Sen told reporters.

"We know for sure that the Khmer Rouge would destroy the elections because the election results will make them outlaws," he said of the guerrilla faction which still sits on the internationally recognized Supreme National Council.

"But they will not prevail, because (Phnom Penh's army) together with UNTAC (the UN Transitional Authority in Cambodia) will provide protection," he said.

Hun Sen warned foreign countries against recognizing the Khmer Rouge as a legitimate resistance faction following the election of a national government, saying recognition would be "tantamount to forcing the partition of Cambodia."

He said his government's most important weapons against the Khmer Rouge would be "socioeconomic development" and clemency for rank-and-file guerrillas who for the most part "don't know what they are fighting for."

But he added that Phnom Penh "would not allow people to be killed by Khmer Rouge bandits" nor tolerate the effective partition of the country.

Hun Sen said that if his party lost the elections, however, it would not try to cling to power.

"We are going to transfer everything we have to the winner," he said.

Terms Corruption 'Endemic'

BK1905124893 Hong Kong AFP in English 1220 GMT 19 May 93

[Text] Phnom Penh, May 19 (AFP)—Phnom Penh Premier Hun Sen acknowledged Wednesday that his government was tainted by corruption, but he said the affliction was so endemic in Cambodia that not even the United Nations was clean.

"We have arrested smuggling by UNTACs who imported commodities duty-free and transferred these items to shops outside, violating the law and causing loss of revenue to the state," he said.

Hun Sen gave no further details of the alleged smuggling by members of the UN Transitional Authority in Cambodia (UNTAC), which includes 15,000 soldiers and 5,000 civilians.

Hun Sen said years of war and lawlessness in Cambodia had created a fertile climate for corruption.

He said that if elected during the May 23-28 UNTAC-supervised voting, his party would pick "clean" officials for government posts and build up the legal system and courts.

Popular demonstrations against corruption by Phnom Penh government officials spiraled into violent riots in December 1991 which were put down by the army.

Hun Sen said that his government was the first to admit the plague of corruption, but not the first to be tainted by it.

"In 1970, when Lon Nol made a coup against Prince Norodom Sihanouk's government, the reason given was corruption and being pro-Vietnamese," he said.

"In 1975, when the Khmer Rouge overthrew Lon Nol, the argument was corruption and being pro-U.S. I think this is a repetition of the same accusations."

Fighting Closes Siem Reap Airport, Route 3

BK1905121893 Hong Kong AFP in English 1059 GMT 19 May 93

[Text] Phnom Penh, May 19 (AFP)—Fighting between the Khmer Rouge and Phnom Penh Government forces on Wednesday closed Siem Reap airport in the northwest and National Route 3 near the Japanese UN engineering battalion in the south, a UN spokesman said.

The fighting in southern Kampot Province, just south of the Japanese engineers at Takeo, closed Route 3 for the second time in two months. Before that, Kampot had been a relatively tranquil area untouched by the skirmishes and regular shelling typical of Cambodia's civil war in the central and northwest of the country.

Khmer Rouge and Phnom Penh government forces started clashing near the district capital of Chhuk before dawn, closing the highway which runs from Phnom Penh to Kampot on the southern coast, Falt said. Casualties were unknown.

The shelling in early morning at Siem Reap airport, the second attack in four days, forced the cancellation of the daily Kampuchea Airlines flight.

UN military observers said four 107mm rockets landed in a field about 500 meters (yards) from the airport building, inflicting no damage but causing air-traffic controllers to flee, witnesses there said.

Falt said the two instances were the only significant events in calm-but-tense Cambodia.

"Otherwise its the rumor raging, not the fighting," he said.

In Siem Reap, six shells hit the airport complex before dawn Sunday. In both cases, the shells were fired from a Khmer Rouge- controlled area across Lake Borei from the airport, UN military observers said.

On May 3, the Khmer Rouge overran the provincial capital, which is visited by thousands of tourists every year on the way to the Angkor Temple complex. They were chased out after a six-hour battle with Phnom Penh Government forces.

Tourism at Angkor Wat has been a major source of revenue for the Phnom Penh Government, which is expected to make a strong showing in the UN-supervised elections starting Sunday.

The Khmer Rouge are boycotting the six-day poll.

Aid Worker Killed, 5 Aid Groups Withdraw

BK1905145893 Hong Kong AFP in English 1357 GMT 19 May 93

[Excerpts] Phnom Penh, May 19 (AFP)—A group of gunmen ambushed the car of a foreign aid organization Wednesday 30 kilometers (19 miles) north of Phnom Penh, killing one Cambodian employee and wounding two others, UN officials and aid workers said. [passage omitted] A vehicle from the Philippines-based International Rice Research Institute was attacked around 7:30 a.m on National Route 6 not far from the ferry that crosses the Tonle Sap River 23 kilometers (14 miles) north of Phnom Penh, UN spokesman Eric Falt said. The five international aid organizations operating in Kompong Cham decided to evacuate the province after the attack and drove in a convoy to Phnom Penh to await the end of Cambodia's May 23-28 elections, said a representative of one of the groups. The Medecins Sans Frontieres (Doctors Without Borders) official said the attack occurred seven kilometers (four miles) northeast of the ferry crossing. The identity of the gunmen was not known. In the southern province of Kampot, Khmer Rouge and Phnom Penh government forces clashed near Chhuk starting about 4 a.m., closing the highway [Route 3] that runs from Phnom Penh to Kampot on the southern coast, Falt said. Casualties were unknown. It was the second time in two months that fighting in Kampot Province, just south of the Japanese UN engineers at Takeo, had closed Route 3. Before that, Kampot had been relatively untouched by the skirmishes and shelling that regularly occur in the center and northwest of the country. [passage omitted]

Akashi Declares Election Campaign 'Success' Despite Violence

BK2005101693 Hong Kong AFP in English 0824 GMT 20 May 93

[Text] Phnom Penh, May 20 (AFP)—Cambodia's election campaign was a success, the head of the U.N. mission declared Thursday, even as his spokesman reported new allegations of political murders.

Prince Norodom Sihanouk meanwhile announced in Beijing that he would return home for the May 23-28 poll, though he would not cast a ballot to preserve his "neutrality."

On the military front, forces believed to be Khmer Rouge attacked a Phnom Penh army unit near Stoung in Kompong Thom Province with mortars and small arms before dawn, "meeting strong resistance," U.N. spokesman Eric Falt said.

U.N. personnel based in Stoung were evacuated safely and Phnom Penh was reportedly reinforcing its forces there amid intermittent shelling, he said.

"I am in a position to say that, on the whole, the election campaign has been conducted properly," United Nations Transitional Authority in Cambodia (UNTAC) head Yasushi Akashi said as Cambodia officially began a three-day "cooling-off" period ahead of the vote.

"I can say with every confidence that this election will be the freest and the fairest in Cambodia's recent history, and the freest and fairest the region has seen," he told a meeting of the Supreme National Council (SNC).

The Khmer Rouge, who have refused to participate in the elections, did not attend the SNC meeting, which normally groups all four main Cambodian factions.

Akashi cited the participation of "800,062" people at "1,529" election rallies as evidence of the success of the campaign.

Falt nonetheless reported three new incidents of apparent political violence in the past three days, all directed at opponents of the Vietnamese-installed Phnom Penh government.

"Unidentified persons" wearing Phnom Penh uniforms allegedly murdered an official of the royalist FUNCINPEC [National United Front for an Independent, Neutral, peaceful, and Cooperative Cambodia] party Wednesday in Battambang province, shooting him three times in the head a close range, Falt said.

The night before, Falt said, 13 people were wounded when a grenade was tossed into a FUNCINPEC office in Kampot Province.

Earlier Tuesday in Kompong Cham province, alleged Phnom Penh soldiers opened fire on four members of another opposition party, killing two and wounding two, one of whom was abducted.

The SNC meeting was filled with mutual recriminations over political intimidation, but Falt said both FUNCINPEC and the smaller Buddhist Liberal Democratic Party had pledged to participate in the poll anyway.

UNTAC has long since abandoned its goal of disarming Cambodia's warring factions to ensure the "neutral political environment" called for by the 1991 Paris peace accords, and is instead counting on Phnom Penh's army to help U.N. peacekeepers to protect the polls against possible Khmer Rouge attacks.

"The basic minimum conditions" for holding the elections have been met, Akashi said.

"There has been remarkably little campaign-related violence."

The elections will get a boost from the return here Saturday [22 May] of Prince Sihanouk, the SNC chairman, who had been urged by U.N. chief Boutros Boutros-Ghali to demonstrate his support.

"From May 23 to 28, I will be close to the well-loved and respected Cambodian people as they carry out their duty as voters," he said in a statement in Beijing.

In other incidents, Falt confirmed that a Cambodian working for the Philippines-based International Rice Research Institute was killed and two others slightly wounded when gunmen ambushed their IRRI vehicle on the way from Phnom Penh to Kompong Cham.

"It may very well have been bandits," Falt said of the Wednesday morning attack some 30 kilometers (19 miles) north of the capital.

Foreign aid organizations said they had pulled their staff out of Kompong Cham until after the elections as a result of the attack, the latest in a series of killings along National Route 6 north of Phnom Penh.

In the southern province of Kampot, National Route 3 has reopened following a clash Wednesday between Phnom Penh forces and Khmer Rouge guerrillas, Falt said.

Flights resumed Thursday to the northwestern town of Siem Reap, gateway to the Angkor temple complex, after the daily flight from Phnom Penh was cancelled a day earlier because of shelling at the airport.

In other developments, non-governmental organizations (NGOs) working in Cambodia urged the international community to quickly grant official recognition to whatever government comes out the U.N.-organized elections.

"There is concern that some governments may choose not to recognize the newly elected government if the results are not to their liking," using that the excuse that the elections have not been free and fair, an NGO forum said in a statement.

"Non-recognition of the government takes Cambodia back to square one, or worse. ... Yet again this country will suffer from economic, social and political isolation," the statement said.

"Development aid will be blocked as it has been for decades. Militarily, the Khmer Rouge will have been strengthened and will pose a very real threat," it said.

UNTAC Forces To Fire in Self-Defense

BK2005115493 Hong Kong AFP in English 1145 GMT 20 May 93

[Text] Phnom Penh, May 20 (AFP)—U.N. peacekeepers will not hesitate to return fire to protect voters during next week's elections in Cambodia, the head of the U.N. mission said here Thursday.

"Our mandate as peacekeepers is restricted to self-defense, but this very much includes the right to defend our mission," Yasushi Akashi told a meeting of Cambodia's Supreme National Council, according to U.N. spokesman Eric Falt.

"As UNTAC troops have been obliged to show on a number of occasions in the last months, we do not hesitate to return fire vigorously if attacked," continued Akashi, head of the United Nations Transitional Authority in Cambodia (UNTAC).

"We will be equally vigorous in defense of the Cambodian elections."

Cambodian voters go to the polls starting Sunday under the threat of violence from the Khmer Rouge guerrilla faction, which has refused to participate in the U.N.-organized elections.

The Khmer Rouge representatives did not attend Thursday's meeting of the council, which normally groups the leaders of all four major Cambodian factions.

UNTAC Commander Interviewed on Elections, Aftermath

BK1905141793 Singapore BUSINESS TIMES in English 17 May 93 p 6

[Interview with Lieutenant General John Sanderson, force commander of the UN Transitional Authority in Cambodia, Untac, by correspondent Harish Mehta in Phnom Penh on 7 May]

[Text] QUESTION: Lt-Gen Sanderson, in 18 months as force commander of Untac, what has been your biggest disappointment?

ANSWER: I am disappointed that the Cambodians haven't been able to reconcile their differences to the extent that they could all flow through the process which they agreed to when they signed the Paris peace agreement (in October 1991). On the other hand, when you see the level of commitment and courage by the UN people throughout Cambodia. I am pleased and exhilarated. A lot of people are doing very brave things in their commitment to giving Cambodians this opportunity. We should be encouraged by the fact that the vast majority of Cambodians have own their commitment too.

Q: What has been your main cause your optimism?

A: That the Cambodian people are committed to have this election, despite the problems between the factions—which are only a small minority. The key issue is that this process is about giving the Cambodian people some say in the way in which they are governed in the future. Some factions mightn't like that, but that's what it's about.

Q: One scenario being suggested is that on the first day of polling, the Khmer Rouge will launch co-ordinated bomb attacks all over the country. Would that set back the poll?

A: Such questions are relative. Let's say there were six attacks on Day One. Is that a nationwide attack against the whole process? How many attacks would there have to be? Three? Six? 10? 200? I'd imagine if there were six, some people would say that the whole countryside is aflame. Others would say, "it's not so bad." But if there were a couple of hundred attacks, people would be shocked and horrified. The Democratic Kampuchea (DK) party—the official name of the Khmer Rouge—would have to expose themselves to do these things. When they expose themselves, some of them will die. My assessment is that most Cambodians don't want to die, whether they are DK or not.

Q: Do you think the Khmer Rouge aim to capture power by force? Are they capable of that?

A: There's no way in the world that they can seize power by force. They are a very small organisation determined but small. They cannot seize, and hold, a major centre.

Q: The International Institute of Strategic Studies puts the Khmer Rouge's strength at 30,000 regulars plus 15,000 in support and logistics. But Untac says the Khmer Rouge have never numbered more than 12,000-15,000.

A: I am not fully aware of what their strength would have been at the time immediately preceding the Paris agreement. But the Khmer Rouge is not some sort of group of homogeneous ideologues or anything like that. It's made up of individuals, many of whom just want to get on with their lives. Like all other Cambodians they want to marry, have families, grow rice, or go to school. There's a tendency to put in compartments and say that all these people are like this or all these people are like that. It's not true. They all have different hopes and aspirations. Some of them are more or less caught up in this.

Q: Do you think the rank and file of the Khmer Rouge feel committed to some kind of cause to wipe out the rest of the Cambodians, or are they beginning to change?

A: The reason their strength is as low as it is, is that many of them decided when the Vietnamese left in 1989 that their war was over. So, they made other arrangements. That's why maybe their strength was more before than it is now.

Q: At a meeting of the Supreme National Council (SNC) in Beijing this month, former Premier Son Sann said that in view of the violence the election should be delayed. What do you think?

A: The Security Council has made a decision and we are going to conduct the election as scheduled.

Q: The Khmer Rouge keep attacking places and people, including Untac personnel. Have they told you in writing that they will attack you? Have they ever formally told you that this is their policy?

A: They are not going to make a statement in writing to say that this is their policy. We listen to their radio, we read their tracts around the countryside, we make judgments about the statements they have made. The sum total of all these sources of information would lead us to believe that in certain areas of Cambodia the Khmer Rouge are going to disrupt the election.

Q: Would you consider the pull-out of the Khmer Rouge from Phnom Penh as a serious blow to the peacekeeping operation, in that Untac has lost direct communication with them?

A: It is not a good thing. That's the truth of the matter. We really wanted to keep all our communication lines open, and we are still struggling to do that wherever we can. I have written to Gen Son Sen, commander-in-chief of the National Army of Democratic Kampuchea (NADK, the armed forces of the Khmer Rouge) and said that I am prepared to go anywhere at any time to talk to him about the peace process. And he has indicated to me that he would be quite happy to do that, provided that I was prepared to talk about their main issues. These are the same issues that Khmer Rouge President Khieu Samphan kept raising at meetings of the SNC. (The main issue the Khmer Rouge want to raise is that of verification of the presence of Vietnamese troops and dismantling the Hun Sen regime. Both demands have been rejected by Untac.)

Q: So where does that leave Untac?

A: The UN Security Council is well aware of the nature of the issues. We have struggled to address the issue of the Vietnamese. It's clear to us that the Vietnamese problem is not as the DK have stated it. Sure, there is a Vietnamese population in Cambodia. But the DK never co-operated with us in addressing the military dimension of the problem. They never co-operated despite our pleas on many occasions for them to provide comprehensive information and to join with us in investigating their claims.

Q: The Khmer Rouge continue to claim that 2.4 million Vietnamese are still in Cambodia.

A: That's an outrageous assertion. Nothing we have seen indicates numbers like that. Despite the current concerns of the Vietnamese community, as a result of these dreadful massacres that occurred, we have only seen about 20,000 Vietnamese cross the border and return to Vietnam in boats on the Tonle Sap river. If there were 2.4 million Vietnamese in Cambodia, at a minimum we would have seen 100,000 to 200,000 of them crossing the border. But the Tonle Sap is almost cleared of the

Vietnamese now and only 20,000 have crossed the border. What do you make of that.

Q: Does Untac now have a link with the Khmer Rouge, or are you working on setting one up?

A: We are working on a link. We will continue to work on it as long as we are here.

Q: It must be much more difficult to communicate with them now that they are back in the jungle?

A: Yes, of course. That's what they have chosen to do. We are very sad about that and we would like it to be otherwise, but that is the choice they have made.

Q: It is almost like the snapping of a hot line between adversaries in a tense situation, and that can have dangerous consequences.

A: That's not the case, please. We don't consider ourselves to be adversaries of anyone. We are neutral. We are a peace-keeping force and what we have been trying to do is provide a mechanism for reconciliation for Cambodians.

Q: But Untac's troops are just standing there and getting shot because they are unable to protect themselves.

A: That's not entirely true. They are able to exercise the right of self-defence. Our operating procedures are quite specific about that. If you go to the countryside, you will see that they have made strong security preparations. Even given that, the possibility of casualties exists, as we have seen.

Q: There are just two weeks left before the election. Would you say that acts of military violence aimed at intimidating voters have increased, along with an increase in political intimidation of voters by the major parties?

A: Certainly, the intimidation of Cambodian voters in the countryside has increased. But the political campaign has gone on quite strongly throughout Cambodia. There have been many political rallies, and political parties are moving around many parts of the country. We have to take our strength from that—the commitment of the Cambodian political parties to proceed with their campaigning and the commitment of the Cambodian people to vote in the election. If neither of those commitments are there, then we cannot run an election—all we can put in place is a mechanism.

Q: Are some troops belonging to the three factions (those of Prime Minister Hun Sen, Prince Norodom Ranariddh and Son Sann) still in cantonments? Gen Pann Thay of Hun Sen's Cambodian People's Armed Forces (CPAF) has said that there are no CPAF troops cantoned any more.

A: That's generally true. We sent the cantoned CPAF troops on agricultural leave because we couldn't keep them in cantonments indefinitely. Some of them may have gone back and some may still be on agricultural leave. But they are not in the cantonments.

Q: How about the troops belonging to Prince Ranariddh's National Army of Independent Kampuchea (ANKI) and Son Sann's Khmer People's National Liberation Armed Forces (KPNLAF)? Are they still cantoned?

A: Some of them are still in the cantonments but they have also got security problems. So they have to make arrangements to secure their own areas.

Q: So, that means that even ANKI and KPNAF are no longer cantoned?

A: Let's not delude ourselves about the security situation in Cambodia or the cantonment process. The cantonment process was never fulfilled because the DK refused to come into the ceasefire process. Once one faction refused to do so and conducted activities in the countryside, then it was impossible for all the other factions to canton and disarm their troops. It has been acknowledged that they all have the right of self-defence, and they are making arrangements to do that.

Q: Untac has imposed a higher, Stage Bravo, level of alert for its forces in some provinces. (Alerts run through stages Alpha to Echo, and Stage Bravo imposes restrictions on troop movements). Nationwide, Untac has imposed a Phase One alert, which requires Untac staff to ensure that their passports are valid and that they have adequate medical supplies. Do you foresee a higher level of security alert for some provinces?

A: It would be wrong for me to make some sort of prediction like that. We hope we don't have to go to a stricter security regime, but it's possible that in some areas we will have to. It's not probable throughout the whole of Cambodia, but it's possible that in some areas we may have to—depending upon what the DK do.

Q: How would you assess the progress in registration of voters? Untac has registered 4.76 million voters. But no voters were registered in zones controlled by the Khmer Rouge or the DK.

A: We haven't registered any voters inside the DK zones. The DK would not allow the Cambodians inside their zones to register their vote. Some of them did. Some of them took the risk and came the distance to register. Some of them might take the risk and come the distance to vote as well.

Q: Given the troubled scenario, will Untac pack up and leave three months after the election?

A: That's the current state of the Security Council's resolution on this subject. But the Security Council may make another resolution after the election. I am sure it will be a well-informed decision when it is made.

Q: There is a plan to create a new army in Cambodia after a new government comes to power. How will that happen in view of the fact that demobilisation did not take place?

A: We are considering this problem. A lot of it depends upon the results of the election and what the Cambodians decide. It has to be Cambodian decision. Obviously the new government of Cambodia is going to require security forces of some type. They are going to have to make a decision based on the security situation—what that security force should be, what is tasks will be, and what its legal basis in the new Cambodian society will be. On the basis of those judgments, they will ask, I expect, for support from the international community.

Q: What sort of support?

A: Well, it might be financial. material support. I don't know. But they'll ask for support, I'm sure of that. And the international community will have to make a judgment about what it's going to provide.

Q: It is correct that some countries, like France, have already committed themselves to help a new government to deal with the Khmer Rouge?

A: I don't know about that.

UNTAC Election Chief Comments

BK1905153793 Singapore BUSINESS TIMES in English 19 May 93 p 29

[By Indochina correspondent Harish Metha from Phnom Penh: "A Peaceful Poll or Bloody Endgame?"]

[Text] ELECTORAL officers in Cambodia are walking on eggshells. They have to wear bulletproof jackets, and occasionally duck into bunkers to avoid artillery shells as they prepare for the election on May 23-28.

So much for the "fair and free election".

The United Nations has been forced by circumstances to deviate from its mandate: if it cannot ensure a 100 per cent clean poll, it has resigned itself to hold an election that is as free and fair as possible.

Its biggest problem is dealing with the Khmer Rouge, which is not participating in the election and has vowed to disrupt it.

The experience of Reg Austin, chief electoral officer of the United Nations Transitional Authority in Cambodia (Untac), just about sums up the conditions in Cambodia.

"I was in Preah Vihear province on Monday (May 3)," recalled Mr Austin. "It was pretty hairy. All the electoral staff are operating in polling stations that are within easy artillery range of the Khmer Rouge."

The next day, Mr Austin was in Kompong Thom. "They (electoral staff) have got bunkers and they seem fairly confident about holding the election. I was having a nice chat with electoral officers sitting in a bunker. They are pretty resilient," he added.

That night, there was an artillery attack and a ground attack. "But everybody went back to work the next morning," he said casually.

On Wednesday [19 May], Mr Austin crossed over to Kompong Cham where he found that Untac staff were all too conscious of the dangers. "They will remain as long as it's possible for them to stay," he said.

But at least 60 electoral officers have decided to quit their jobs and go home. "We can't be sitting around and be swatted like flies," said an Untac volunteer who has quit.

Mr Austin is concerned. "Given the fact the insecurity has produced one wave of resignations, it could happen again," he said.

Against resistance from the Khmer Rouge, Untac has however managed to register 4.76 million voters who will choose candidates from among 20 parties contesting for the 120-seat constituent assembly. The new assembly will have three months to draft and adopt a new liberal democratic constitution.

But what sort of a government will emerge under the proportional representation system?

Less than a third of the parties in the running are likely to enter the assembly and no single party is expected to win a simple majority.

Political pundits are putting their money on Prime Minister Hun Sen's ruling Cambodian People's Party (CPP) as the frontrunner, closely followed by Prince Norodom Ranariddh's Funcinpec [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] party.

With these two major parties tipped to sweep 80 per cent of the seats, there will be 25 or so seats left for the other parties.

An Untac official explained that under the proportional representation system, parties contesting for seats in a province with 120,000 registered voters and three parliamentary seats would need a quota of 40,000 votes to win a seat.

Say a major party wins 85,000 votes. This would give it two seats. The third seat would go to the party with the next highest number of votes even though it did not receive a full quota of votes to gain a seat outright.

This system gives minor parties a chance to gain at least some seats in the new parliament, and most Cambodians in a mood for national reconciliation seem to prefer this system over the first-past-the-post system.

Original plans called for 1,850 polling stations, but due to the violence, the number has been cut to about 1,600, and this may be slashed further. Most of the reductions are taking place in the troubled provinces. Some polling stations, however have been reduced as a precautionary measure in areas where trouble can be expected.

When the Khmer Rouge launches its attacks, the first to be hit will be Untac's 1,000 foreign International Polling Officers who will be running the polling booths.

An electoral officer in Battambang province said that only two of six districts in the province are considered safe from the Khmer Rouge's artillery attacks.

But Phnom Penh and its surrounding areas are generally calm. Districts like Russey Keo and Takhmao town in Kandal province that lie just outside Phnom Penh are quiet.

But last week Mr Hun Sen's armed forces began patrolling Phnom Penh streets in armoured cars in anticipation of a Khmer Rouge attack—which is likely to be launched any day now.

Nevertheless ballot boxes will be transported from polling centres by the Untac military, and ballots will be counted manually at provincial polling centres by provincial electoral officers under the gaze of Untac officials. Representatives of the parties will be allowed to watch the count.

As a back-up, a system of tendered ballots has been introduced. These are votes that will be cast by people voting outside their province, or by those who have lost their registration cards.

If there is a disruption and certain areas become unsafe, then people can go to another area and vote, and their tendered ballots will be counted in Phnom Penh.

Any delay in the election results will most certainly be caused by the counting of the tendered ballots and also by over-seas Cambodians who will vote at polling stations in Sydney, Paris and New York, and their votes will be counted in Phnom Penh.

If there are no disputes, early results are expected within a week after voting ends.

In recent weeks, military attacks and acts of voter intimidation have increased, and Untac officials admit that it is pretty widespread. People are being told that they will be identified if they don't vote for a particular party.

Political intimidation takes the form of violence against other parties, obstruction, and lack of cooperation by local authorities.

However, while the number of assassinations of party members has reduced slightly, the number of complaints of obstruction has increased.

Mr Austin said: "In many places very specific threats have been made against voters, telling them not to go to vote. We'll have to wait and see how they feel on the date of the poll.

"People are enthusiastic about the election, but they do feel threatened in areas where there has been violence. And they may even choose not to go to the polls if they are afraid."

But it's not just the Khmer Rouge that's to be blamed. The incumbent Phnom Penh authorities have unleashed a wave of intimidation in their own areas.

Who are the worst offenders?

"It's pretty difficult to make an assessment because which is more effective—a barrage of artillery, or people coming and shooting up an office, stopping people at road blocks, and occasionally killing people. These are very, very intimidating activities," said Mr Austin.

The ubiquity of the Phnom Penh government gives it much more opportunity to intimidate, and therefore Untac gets a greater number of specific complaints against them.

By contrast, the complaints against artillery barrages are general. "They are not acts of intimidation against a particular political supporter or candidate," said Mr Austin.

Untac has warned that it will ban people from participating in the poll if they break the electoral law. Untac is empowered to disenfranchise voters and disqualify candidates for intimidation, unlawful holding of meetings, and obstruction of meetings.

"But that's no sanction as far as the Khmer Rouge is concerned because they never registered anyway," said Mr Austin.

So far, Untac has issued warnings. Only two CPP partymen have been deregistered as voters thus far.

"One doesn't disenfranchise people very easily and happily because the purpose of this exercise is to enfranchise people, rather than disenfranchise them," added Mr Austin.

Some of the complaints that Untac has received are that the UN body just stands and gets shot rather than shoot. Voters, though thankful for a UN presence, know that no amount of UN troops standing around a polling station can stop hostile artillery from coming in.

Said a 60-year-old voter: "I would like my whole family to exercise the privilege of casting their votes and electing a new government." It would be the first time Cambodians can do so in 25 years.

Although Cambodians desperately want an election, they are not convinced that their votes will remain secret, as Untac has guaranteed.

Mr Austin acknowledged that the political parties have made his job much harder. While he travels around the country telling people that their vote is secret, and that the election would be free and fair, the "political parties are constantly intimidating voters", he said.

"It's an endemic problem in this kind of an election. But there will obviously be a contest between what we are saying and what some other people are saying. It's ultimately a question of whether the people believe us, and have faith in us or not," he said.

Although Untac expects an 80 per cent voter turnout, Mr Austin said that it was difficult to predict what the turnout would be.

"The figure of 80 per cent is based on the access that voters have to the voting service. The question is whether the public will come out and use the voting service," he said.

Indeed, even though 4.76 million voters have registered, most may not dare to venture outside their homes to vote if the Khmer Rouge continues to unleash terror.

Security arrangements have been criticised as being inadequate. A member of the CPP wondered whether Untac's civilian policemen would be able to protect the polling stations up to a perimeter of 200 metres.

Beyond that, the Untac military has been tasked with providing protection, but the CPP doubts if it will be able to stand up to a Khmer Rouge assault.

The CPP and the other parties have re-armed themselves, arguing that they have to as the Khmer Rouge has not given up its arms in compliance with a key point of the Paris peace accord concluded in October 1991.

Uch Kim-An, a vice-minister in the Hun Sen government, said that his armed forces "have the right of self-defence, but we don't plan an offensive."

Cambodians are aware that the entire election is so fragile that it could easily collapse.

Mr Austin would only hedge. "If the Khmer Rouge are present sufficiently widely and have the capability of movement, and they carry out attacks that are concentrated enough and persistent enough, they can stop the election," Mr Austin said.

If violence gets serious, is there a point at which Untac will blow the whistle and stop the poll? "One would have to judge each situation on its merits. In each sector the sector commander is the judge of whether we can carry on the election. It's essentially a question of security," said Mr Austin.

Given the trouble-prone situation, Untac has not been able to finalise its polling plan.

"It will be finalised, and re-finalised and re-finalised because the situation is not static. It's obviously a great nuisance for an electoral process to be subject to constant changes because stability is very important in an election," Mr Austin said. "We will have to be ready to change at a moment's notice," he added.

Untac's deputy force commander, Brig Gen Robert Rideau of France, said that he did not know what would happen. But he painted three scenarios: good, bad and a so-so scenario. Under the third scenario, which is most probable, violence is expected to be confined to certain areas.

If all else fails, some people see Cambodian head of state Prince Norodom Sihanouk as the great reconciler. But a Cambodian businessman disagreed, saying: "Prince Sihanouk cannot reconcile the differences between his two sons (Ranariddh and Chakkrapong), so how can he reconcile the warring factions?" Cambodian parties, too, are facing a host of problems. Prince Ranariddh's party is plagued by defections and three major-generals have quit to join the rival CPP.

For its part, the CPP finds that it is having to fight the Khmer Rouge with outdated weapons and an over-stretched budget.

And then some parties have serious identity problems. Politicians such as Dr Long Bora and Kim Kethavy want to usher in a US-style government, and the latter has even adopted the US flag, but with a difference—instead of the stars in the blue corner, his flag features the Angkor Wat temple.

"The way things are going, this country may soon be renamed the United States of Cambodia," quipped a US-educated Cambodian voter.

Government Tells Police Not To Intimidate Voters

BK2005061693 Hong Kong AFP in English 0404 GMT 20 May 93

[Text] Phnom Penh, May 20 (AFP)—The Phnom Penh government, which has been accused of using violence as a campaign tool, instructed its police force Thursday not to interfere with next week's elections.

"The National Security Ministry will not tolerate any policemen who attempt to intimidate political party members," Minister Sin Song said in a radio broadcast.

"The police institution is a neutral institution."

U.S. Assistant Secretary of State Winston Lord said Wednesday he had warned Phnom Penh authorities during a visit here against intimidating voters or party activists.

Sin Song assured policemen that they would be given time to vote and instructed them to stay on in their posts following the elections "until further orders.

Hun Sen Speaks in Kompong Ampil 17 May

BK2005065593 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 17 May 93

[Speech by Hun Sen, vice chairman of the Cambodian People's Party Central Committee and chairman of the State of Cambodia Council of Ministers, at the inauguration of a bridge and a primary schoool building and for laying boundary stones for a Buddhist temple in Kompong Ampil between Khsach Kandal District, Kandal Province, and Peareang District, Prey Veng Province, on 17 May—recorded]

[Text] I am very pleased to tell you, venerable monks and compatriots, that I feel most honored to return to Kompong Ampil after visiting the construction site of this Kompong Ampil bridge in the past. Today we inaugurate not only this imposing bridge but also a primary school building and we participate in the festival to lay the boundary stones for a Buddhist temple.

On this occasion, I am most delighted to express thanks to His Excellency [H.E.] Sin Song and Madame and Mr. and Mrs. Pheng Bunma for giving their all, including their physical, intellectual, and financial resources, to realize a construction that is unprecedented in the history of Cambodia.

I say that this is unprecedented in the history of Cambodia because many compatriots have just said that since their youth they have never seen such a bridge. Now this bridge has appeared in front of you, honorable patriarch, venerable monks, highnesses, and compatriots. This is an imposing bridge. It is a great utility for our compatriots not only because it links adjacent districts—namely, Peareang of Prey Veng Province and Khsach Kandal and Lvea Em of Kandal Province—but also because it is an arterial link that brings together our citizens from all localities. It is useful to our people in Phnom Penh and in Kompong Cham Province as well. Such a bridge is of extremely great use for development not only because it serves our travel needs but also because it is one of our most important economic arterial links, for all the bridges and roads that we have built greatly facilitate the flow of goods toward the marketplaces, thus helping to quickly increase the income of our citizens.

A few years back, I and several other charitable persons contributed to the construction of the Preah Kanlong bridge, thus enabling the people in Vihear Suor and Prek Ta Meak to establish contact with those in other localities up to Arei Khsat. Now we have this bridge to further expand the flow of traffic, enabling some of our compatriots to go to Phnom Penh via Lvea Em and others to go to Arei Khsat via Khsach Kandal. This is part of the policy of rural development pursued by the Cambodian People's Party [CPP]. Our party does not have its policy in words or on papers only. For more than 14 years this party has acted as it is acting now and will act in the future if it wins the upcoming elections.

The promotion of communications in the countryside is very important for rural development. The role of communications is to establish our nation's arteries linking one region to the next. Without developing communications, we will never be able to enhance the great economic vitality of our compatriots who are working so hard to increase production. This can be seen in what happened in the past when our countryside was portioned off and the flow of produce from one region to the next—or, in other words, the circulation of goods—was blocked because of the lack of good communications. For this reason, the CPP has closely focused on rural development, giving priority to communications. We have paid attention not just to communication lines that are major national highways only. We have used the following words: expansion of rural communications. This is to faciliate not only economic, but also cultural and educational contacts and this has greatly helped facilitate our development efforts.

I avail myself of this opportunity to appeal to compatriots throughout the country and to all charitable persons to continue making efforts to further expand the rural communications sector in order to raise the material and intellectual living standards of the people in the countryside as it will help narrow the gap, the disparity between the cities and the countryside and between the rich and the poor.

Also on this occasion, I would like to thank the contracting company as well as workers of both sexes for making utmost efforts to complete the construction of the project as promised by H.E. Sin Song and Madame, Mr. and Mrs. Pheng Bunma, myself, and His Royal Highness [HRH] Prince Norodom Chakkrapong, who came here for the ground-breaking ceremony. On that occasion, speaking on behalf of HRH Prince Norodom Chakkrapong, H.E. Sin Song and Madame, and Mr. and Mrs. Pheng Bunma, I promised that no efforts would be spared in order to complete the construction of this bridge before the high tides season. Thus, thanks to the efforts made by the workers this bridge is completed.

On this occasion, I convey the greetings and praises of H.E. Heng Samrin, H.E. Chea Sim, and other party and government leaders to all compatriots in Prey Veng and Kandal Provinces for the tireless efforts they have made in helping to transform their land from poverty to prosperity. I also express best wishes to the honorable patriarch, all venerable monks, the prince, his consort, the princess, and all compatriots. May you enjoy the five blessings of Lord Buddha, namely, longevity, social prestige, happiness, strength, and enlightenment.

Honorable, venerable, highnesses, and compatriots: Today we inaugurate the new buildings and we also lay the boundary stones for the temple. Only six days remain before the election begins. This is an election of historical significance for Cambodia. I avail myself of this moment to appeal to all compatriots to fulfill their obligations as peace-loving citizens by turning out en masse to go to the polls. This is an election to help us bring about peace, national reconciliation, democracy, and national development. Therefore, although we are faced with the Khmer Rouge and their allies' threats and whoever's political intimidation, we should not damage or destroy the common endeavors of the international community and the compatriots to undertake this election, for it is vitally important to all of us. Consequently, taking part in the election and correctly proceeding with the balloting in order to choose representatives who can guarantee the survival of the people and the safety of the public as well as private properties and give us a national leadership that will take the country toward progress and propserity is vitally necessary for us.

For this reason, I invite all of you, venerable and compatriots, without exception, to go to the polls. At least over 90 percent of the registered voters should go to the polls. Attacks or threats by whoever will not stop us from holding the election, for this election will take place under the close watch of UN officials. Therefore, we must make a resolution that accords with our will, our desire as we have made the political decision to choose our own legitimate representatives. That is the short appeal that I would like to make to all of you to carry out the election in the next few days despite attempts by the Khmer Rouge and their allies to sabotage it.

Venerable monks and respected compatriots: Today I am very happy to note the presence here of the honorable Patriarch Pouthiveang, all venerable monks, highnesses, ladies, gentlemen, and all compatriots. I ask your permission to speak a little about [words indistinct] for the information of all compatriots. First, let me speak a little about this: FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] said that when the CPP makes a stump speech the people must listen quietly, but when FUNCINPEC makes one the people cheer. I have [words indistinct] but I do not have cheerleaders. They said that I talk a lot. Let me reply that if I talk a lot it is because I have a lot to talk about. We have done a lot and that is why we have a lot to talk about. A man who does not do much, does not have much to talk about. What he has repeatedly said is only this: Long live Samdech Euv! [Prince Father—Sihanouk] Long Live Samdech Euv! FUNCINPEC! FUNCINPEC! That seems to be all he knows. He only says that and he never talks about his political platform. He has no idea about that. He is like a clown, a buffoon in the opera. He acts like one on his campaign trail [words indistinct].

It is because I have accomplished a lot that I have a lot of things to say. You just let me talk. Why don't they talk about the development of the rural communications sector? Why don't they tell the people what they are going to do about building bridges and digging canals? How are they going to dredge them and pump water? They should speak about the important things such as what they are going to do when they win.

A few days ago when I talked in Srei Santhor, the newspaper REAKSMEI KAMPUCHEA wrote that Mr. Son Sann, Prince Ranariddh, and H.E. Hun Sen, er, Mr. Hun Sen should meet face-to-face on television in order to debate political issues. I announced that I am ready and I have also sent them a questionnaire. But until this hour, I have received no answer yet and the election is drawing so near. The compatriots are invited to consider: Why are they afraid to answer the questionnaire I sent them? This means that they have lied to the people, that they have lied to our compatriots.

I sent them a number of questions. For example, I asked whether there was a genocidal regime between 1975 and 1978. This question should be asked. If they said that there was not, then we no longer have to ask them any more because they are also genocidal by nature. However, if the answer is yes, then we will ask: If there undeniably was a genocidal regime, should we let the Pol Pot regime live to the present or should we topple it? This was my first question.

Here is the second question: Since 1979, should we let Pol Pot return or should we not? We asked this because they accused us of recruiting troops. They did not utter a word when they themselves recruited troops from refugee camps and sent them to attack and destroy our bridges and monasteries and even to attack UNTAC [UN Transitional Authority in Cambodia]. So, they have no right to blame us for recruiting troops to prevent the genocidal regime from returning.

I also asked this question: If you were the CPP, if you were the State of Cambodia [SOC], what would you do since 1979 in the situation [words indistinct] preventing Pol Pot from returning and suffering from foreign economic sanctions. What would you do if you were the CPP and the SOC, if you were Heng Samrin, Chea Sim, or Hun Sen?

I also asked another question because they boasted that if they win they will take Kampuchea Kraom [ancient Cambodian territory now part of southern Vietnam] back. I asked: How are you going to take Kampuchea Kraom back? You should tell the Cambodian people about that right now. I then asked them about the Kaoh Tral issue: Are you going to redetermine sovereignty over Kaoh Tral or Phu Quoc Island?

I already knew they had two answers for me. First, they would say they are going to take Kaoh Tral back. If they do that, they would not be following the policy of Samdech Euv; they would be against Samdech Euv. This is because in the time of the samdech [Sihanouk], he did not reclaim Kaoh Tral at all. So, they would say that they are going to reclaim it. Second, I would ask them again how they are going to seize it if it is not given back? Are they going to war with Vietnam?

Another of their accusations is that we have sold our territory on Kaoh Vai [Poulo Wai] to Vietnam. I have challenged them on this: If you are man enough, will you dare take a plane with Hun Sen and survey Kaoh Vai to see whether it is a Cambodian island or a Vietnamese island. We have forces stationed there and they still accuse us of giving it to Vietnam. Now, if Your Highness and Your Excellency are game enough and do not lie to the people, come take a plane with me in the company of UNTAC and foreign journalists and let us see whether Kao Vai belongs to Cambodia or to Vietnam.

If they dare not answer that they will go or if they are afraid to go, it means that they have lied to the people, that they have deceived the people.

Just now I have received a number of letters asking me to make some clarifications. They charge that if the people vote for the CPP, Vietnam will come and seize our land and that we are bound by a 25-year treaty with Vietnam. I have already clarified this issue in my speeches in Takeo and other places. The Cambodian-Vietnamese Friendship Treaty, Cambodia's friendship treaty to be exact, was not signed with only one country. It was signed with Vietnam, Laos, Mongolia, Bulgaria, [East] Germany, and other countries. However, let me stress that all friendship treaties automatically dissolve when we introduce in our constitution the term "permanent neutrality." This term "permanent neutrality" has dissolved all peace treaties with a mutual military and security assistance character. These treaties have already been extinct.

At the same time, the Paris Accord stipulates the dissolution of all treaties contrary to its spirit. The SOC faction is not the only one to discard the treaties; the Khmer Rouge, FUNCINPEC, and Mr. Son Sann also must nullify all their agreements with foreign countries to bring military aid to Cambodia for military purposes in this country. For example, the contracts under which the tripartite coalition received arms from China and the Khmer Rouge allies received arms from the United States to wage war for more than 10 years were all nullified. This applies to all factions, not just the SOC. All signings, agreements that are by essence contrary to the spirit of the Paris accord must be rescinded. Remaining intact are only agreements on technical and scientific cooperation, such as Japan's aid in building the [Chrouy Changva] bridge or the sending of our students for studies abroad. All agreements having political, military, and security points are rescinded. This applies not only to the SOC, but also to all Cambodian factions involved in the conflict.

This is what I want to inform all of you about, venerable and compatriots. As for the rumor that we are indebted to Vietnam, I have already clarified it: We owe Vietnam nothing. I do not know at all if you ask me how much the Khmer Rouge, Mr. Son Sann, or Prince Ranariddh owe China, the United States, or Thailand. You should go and ask them yourselves. Talk about being indebted: To this minute they have not dared to say a word about Thailand although they have admitted receiving arms from China and the United States. There is a political party that I continue to not mention by name—I don't know whether the private newspapers are going to write about it or not—that has asked another party for a merger. They have borrowed money from the Thais and promised to give them Koh Kong in return if they win. Poor Cambodia! They have borrowed money to run the election campaign and have promised to give their creditors Koh Kong if they win the elections! The SOC during 14 years in power has never even entertained thoughts of giving anything away to anybody in return for a favor. We have never dreamed of doing such a thing.

Concerning the border problem, if you, Excellency and Highness, believe that there are places where Vietnam has moved the stone markers inside Cambodia you should come with me and together with UNTAC and foreign journalists we will go and look at them, bringing along the 1:100,000 map used in all border deliberations at the Supreme National Council [SNC] meetings to check them out and see whether it is true if Vietnam has moved the borderline in. The compatriots are well aware that UNTAC has set up control posts all along the border. Equipped with the same map, UNTAC is staying at the border. Why then has UNTAC not said anything about Cambodia losing territory? Let us go ask UNTAC now. Our side keeps affirming that no territory is lost. Now let us ask UNTAC whether Vietnam has seized Cambodian territory? UNTAC is posted on dozens of points along the Cambodian-Vietnamese border. Some posts are in the regions controlled by the opposition, but there are none at all in the Cambodian-Thai border region. Very few of these posts are set up along the Dangrek Mountain range. On the Cambodian-Vietnamese border, however, UNTAC has established a presence in all border passes. So, to make a long story short, if between now and the elections no party comes forward and takes Hun Sen to see the places where Cambodian territory is believed to be lost, we can say that those parties—first of all the party of Mr. Son Sann and that of Prince Ranariddh, the FUNCINPEC Party—have lied to the people. If you dare not come forward and lead me to these places, then you are liars and slanderers.

So, that is the border issue. What remains for us to do is to continue negotiations on territorial waters. The issue of sovereignty on the islands has already been solved between Cambodia and Vietnam, if we follow what the samdech did in the past. The samdech did not reclaim sovereignty over Kaoh Tral at all. He reclaimed sovereignty over Kaoh Vai, Kaoh Tang, and Kaoh Seh only. Now Kaoh Vai is recognized as a Cambodian, not a Vietnamese, island. The South Vietnamese attacked and seized Kaoh Vai in 1972. The Lon Nol regime could not do anything about that. As for us, we do not want [words indistinct] with Vietnam. However, that island is ours and Vietnam does not want it either. In the past, it was South Vietnam which seized Kaoh Vai. At that time, North Vietnam even condemned South Vietnam for attacking and seizing Kaoh Vai. According to documents, Vietnam has not claimed sovereignty over Kaoh Vai. So, there is no problem about the islands. However, I have no idea what would happen if Prince Ranariddh and Mr. Son Sann insist on reclaiming sovereignty over

Phu Quoc island, for I have done only what was necessary to get back the territory left us by HRH Prince Norodom Sihanouk before 1970.

What remains to be negotiated are the issues of trench line, connecting zone, exclusive economic zone, and continental shelf, for these areas are difficult to define. According to the Law of the Sea, one country may have claims on another country's zones and vice versa. We have the same problems with Thailand as with Vietnam. So, we need discussions on the maritime borders between Cambodia and Vietnam as well as between Cambodia and Thailand. Mind you, most countries in the world settle these problems through negotiations, not through fighting.

And I have posed another question to that excellency and that prince: How would you reach accommodation with the Khmer Rouge? I am not going to make any propaganda for FUNCINPEC, but the other evening I turned on my TV set and saw a FUNCINPEC leader explaining how they would reach accommodation with the Khmer Rouge. He said that if his party wins the elections it will rely on the samdech to help reach an accommodation with the Khmer Rouge. I told myself that is hopeless. A political party that has no principles at all. It depends on the samdech for virtually everything.

So, I cite only a few things for the compatriots to examine. Personally, I recognize the role of HRH Prince Norodom Sihanouk in realizing Cambodia's national reconciliation. The majority of the people rally around the samdech. The CPP also follows the samdech. However, we must not forget history. The samdech can rally tens of thousands of people around him. But we must take a little look at the past to see whether the samdech is really capable of bringing the Khmer Rouge to heel.

First, I am going to look at the events before 1970. At that time in Cambodia there was a practice of coloring people according to their political tendencies. There were the Red Khmer [Khmer Rouge], the Blue Khmer [Khmer Bleu], and Khmer of many other shades. Finally, these groups were reduced to just two major camps of colored people: the Khmer Bleu and the Khmer Rouge. Who were the Khmer Serei [Free Khmer], then? They were the most notorious traitors. Their chieftains were Dap Chhuon, Sam Sari, and Son Ngoc Thanh. Who does not know them? The Cambodian people know very well the treason hatched by Sam Sari, Son Ngoc Thanh, and Dap Chhuon. Did the samdech succeed in winning these traitors over? Not only did he fail, but he was almost assassinated in a plot. They also had a conspiracy to turn the area north of the parallel [words indistinct] into a country. Do not forget the names of Sam Sari, Son Ngoc Thanh, Dap Chhuon. Sam Sari, Son Ngoc Thanh, and Dap Chhuon were the chief traitors whom His Highness [Sihanouk] failed to win over and rally around him.

Having told you that, I would like to make it clear that I have no intention of discrediting the sons or grandsons of these individuals at all. I do not want even to hear their names mentioned or to recall that mishap. But I have to talk about it because I cannot help being frustrated to see a man pretend to worship the samdech and hail him as the great unifying force. Maybe he forgets that he and his people have vilified the samdech for generations. I am not going to mention him by name, but I would tell you that he is of the traitorous Sam Sari-Son Ngoc Thanh-Dap Chhuon gang that never rallied around the samdech.

That is one thing. Another thing is the Khmer Rouge. It is not only now that we have the Khmer Rouge. Was the samdech able to rally the Khmer Rouge between 1960 and 1970, that is, before 1970? Khieu Samphan, Hu Nim, Hou Yuon, Salot Sar-Pol Pot, Ieng Sary, and Son Sen fled to the bush from the samdech before 1970. From 1970 to 1975, the samdech rallied the forces of all political tendencies to fight and overthrow the U.S.-backed Lon Nol regime. However, let us ask: Could the samdech rally the Khmer Rouge? Of course, he could not. I am not belittling the samdech, but we must see the historic value of the situation. Not only did the samdech fail to rally them, but he was thrown into jail and saw 19 of his children and grandchildren slaughtered by them. Were the Khmer Rouge won over by the samdech? No, they were not and the samdech could not save his own children and grandchildren from death. He could not save 3 million people from the Khmer Rouge massacre. The samdech himself said that he could barely save his own skin. The samdech admitted that he could not even save his own children. And now, let us cite a concrete example that is taking place now: the samdech and UNTAC have failed to persuade the Khmer Rouge to implement the accords. And the strangest thing took place during the SNC meeting in Beijing on 6 May when the samdech utterly failed even to summon Khieu Samphan to that meeting. He could not bring them to heel. How then can FUNCINPEC maitain that it relies on the samdech in order to rally all his children around him. FUNCINPEC seems to be daydreaming. It is more and more troubled.

When playing politics, one must have one's own policy. One should not [words indistinct] to persuade the Khmer Rouge. Since the Khmer Rouge have refused, what else are you going to do? What are you going to do next? We must know the nature of the Khmer Rouge. The fact is that if the samdech had been able to persuade the Khmer Rouge, they would not have fled to the bush. They would not have just stayed in the bush, but would have certainly come out to the polls. If the Khmer Rouge respected the samdech, they would have attended the Beijing meeting.

Thus, the FUNCINPEC chief's explanation should suffice. He has merely kept repeating the explanation over and over. He does not have his own political platform. He just relies on the samdech. At present he relies on the samdech in order to rally the Khmer Rouge. But do not forget that during the historic stages that we passed through, Sam Sary, Son Ngoc Thanh, and Dap Chhuon did not rally around the samdech—nor did the Khmer

Rouge, who even jailed the samdech and killed his children and grandchildren. Now that both the samdech and the United Nations are around here, still the Khmer Rouge (?will not come). After the elections, the Khmer Rouge will not accept anything—the constitution or any laws and regulations. Since they are going to reject all these, what will you do? The problem is right there. They said that by voting for the CPP there will be war; voting for the FUNCINPEC (?there will be no) war. As Prince Chakkrapong said last night, there will be no war but a genocide. What can be done about it? They will not use guns, but will hit us with bamboo sticks. If the genocidal regime returns [change of thought].... During the Pol Pot era, of the over 3 million people killed, only 1 million were killed by bullets; the remaining 2 million were killed with hoes and bamboo sticks. [words indistinct] there will be no war, but there will be a genocide. Voting for the FUNCINPEC is to vote for the return of the genocide.

Concerning the CPP, I would like now to ask just one question. They have said that the Khmer Rouge will launch attacks. I ask: If the Khmer Rouge attack, what are you going to do? Are you willing to be killed by the Khmer Rouge or are you going to resist? That is the whole story. We will not wage any war; our duty is just to protect our citizens, prevent the return of the genocidal regime, and defend our people from bandits [words indistinct]. That is the story. We will not wage a war. This is because after the elections, we will have a legitimate government to lead our nation's independence and sovereignty. Those who refuse to comply with laws are to be regarded as bandits. Thus, all we have to do is to defend our people from being robbed or killed by the bandits. Even UNTAC has now asked our forces for help to prevent the Khmer Rouge's (?counterattack). Various embassies have requested General Sin Song to provide them with reinforcements so as to avoid [words indistinct] lobbing hand grenades into embassies or shooting and killing the diplomats. Thus, we should take a close look at every point. [words indistinct] Khmer Rouge to share their power. If the Khmer Rouge share their power, the situation will be the same as in the past.

The samdech used to stay with the Khmer Rouge. At that time, the samdech was the head of state. But they arrested and detained him. After that they promoted Khieu Samphan to the post of head of state. Therefore, do not daydream; do not daydream in dealing with the Khmer Rouge.

That is my explanation regarding some points relating to all those issues. Now, your excellency and prince, I want to stress that there are still a few days left. If need be, do come on television together so that we can speak clearly about our policies. Appear on television and then go with us, with Hun Sen and other SOC leaders, UNTAC, and neutral international journalists, to any border area where Vietnam has nibbled into our land. If you dare not go, it means that what you have said has just been to deceive the people. I would like to spend a little time stressing this point. Now we know that during the past 14 years [change of thought].... At the present time, 20 political parties have come to contest the elections. But I would like to just say that, among the 20 parties, the CPP is the only party that rose up and struggled to liberate the country from death. The other parties had no part in that struggle. Some have said that this or that gentleman in their parties also waged the struggle. But I am not talking about that; I am talking about political parties. During the past 14 years, only the CPP checked the return of the Pol Pot regime. No other parties did this. Some parties, such as FUNCINPEC and Son Sann's party, joined hands with the Pol Pot clique in an attempt to topple us and bring back the genocidal Pol Pot regime. The various political parties have had no part in the progress achieved in the past 14 years. Everything was brought about by the CPP from bare hands. That is what I want to stress.

Now, we have not just survived. On 7 January 1979, we were able to survive. But not only have we survived since then; we have also made progress. Grandfathers and grandmothers can make a comparison. What did we have in 1979? Some had pots without covers and some others had spoons without plates. But now we have proper clothing. Although they are not so beautiful, but [words indistinct]. We have schools [words indistinct]. And today, we have bridges. We no longer have to cross [words indistinct]. We have bridges. Thus, we have survived and progressed this far. What else do we need? We need to continue doing everything possible to prevent the return of the genocidal regime, to avoid the outbreak of a war over ownership, through respect for the legitimate ownership of our citizens. We will also make this land progress even more rapidly (?after the elections).

On this occasion, I would like to convey to the administrative officials in Kampot Province that last night I received a letter from Kampot Province, dated 4 May 1993. In this letter, there are two questions [words indistinct]. One question is that if the CPP wins in the elections, how will your excellency lead the country, through which system or doctrine—communism or democracy? That is the first point. The second point deals with the Vietnamese residents. The Kampot officials have already been informed about this issue of Vietnamese residents. I do not therefore have to describe it again. This letter was dated 4 May and I received it on 16 May. I explained this issue of Vietnamese residents on 6 May in (?Takeo) and on 12 May in Prey Chhor District. Therefore, I think there is no need to review it again because I have already explained everything relating to the immigration law. I only hope that the officials in Kampot Province will now be happy about it. Thus, the question needing to be explained is, under which doctrine are we going to lead our country? He also said that your excellency has never discussed this matter.

I would like to inform our officials in Kampot Province that I did not talk about this because the current doctrine that we are pursuing is already known. This is due to the fact that not only has this doctrine been mentioned in our political platform, but it was born in Cambodia. That is [words indistinct]. It is called private economy. A market economy has existed in Cambodia for a very long time. This is why I did not make any explanation before.

I would therefore like to take this opportunity to explain. In the world [words indistinct] when the cold war had not yet ended, there was a struggle between two doctrines, namely, socialism and capitalism. (?That was called) ideological warfare through [changes thought] within the framework of the cold war. In Cambodia [changes thought] ..., Cambodia was the victim of the influence of the cold war; an ideological warfare took place in Cambodia. Prior to 1970, there was an ideological struggle in Cambodia between, on the one side, the liberalists and, on the other, the socialists—communists. I (?was persuaded by) the samdech to take a middle road, the one which is neither capitalist nor real socialist. We are called Sangkum Reas Niyum [former Sihanouk's party]. The majority of aid came from socialist countries. That ideological warfare [words indistinct] 1970 and (?thereafter up to) the advent of the genocidal Pol Pot regime. On our part, ideology is not the major issue for the CPP.

The world, including France, United States, and Japan, has recognized this fact. [passage indistinct] many countries have accepted this fact. In other words, we do not have problem of [changes thought]..., ideology is not an important issue to our party. What is genuinely important to our party is the reality that has taken place on Cambodian land. The question of ideology is not an important issue. But the ending of war and the people's poverty is the party's most important issue. This is why, in the past, although we were accused of being communists or this and that, (?we brought something real) to the Cambodian land and its citizens. We have not followed anybody's model. We do it our Cambodian way.

I would like to talk a little bit more. When I visited Japan, some Japanese politicians said when they met me that they were happy with and supportive of the Hun Sen doctrine. I was startled then. [passage indistinct] Heads of a number of parties and some Diet men came to see me and said that they were happy with the Hun Sen doctrine, they supported the Hun Sen doctrine. I was surprised, for I did not expect them to [passage indistinct]. Later on, I asked them about their foreign affairs, saying you should explain it to me. [passage indistinct] there are too many doctrines in Cambodia. At that time, they suspected that there were reformist and conservative groups [words indistinct]. The reformist group was led by Hun Sen and conservative group by (?Chea Sim). [passage indistinct] Then I said that was quite right, but do not call it Hun Sen doctrine. It was a line [words indistinct]. If there were no support, no unity among Their Excellencies Heng Samrin, Chea Sim, and Hun Sen [words indistinct], we would not have been able to do anything.

I would like to inform you that this is our country, thus no one has told us to do anything. We have conducted political and economic liberalization for many years now. We have done this with our bare hands and gradually advanced toward economic and political liberalization. Although it is true that there was no multiparty system prior to 1991, political pluralism already existed in our party. I would like to inform you a little more that a multiparty system and political pluralism are not the same. In a party, there might be many tendencies called pluralism in politics. But that does not mean a split, an internal rift. However, if there is no [words indistinct]. That is, even the knowledgeable cannot make a party progress. This is why while attending our government meeting, many compatriots, including Prince Norodom Chakkrapong, who have come over to join our party, were quite surprised to see that we have heatedly thrashed out issues. The prince used to say: I had never [change of thought], I thought that Phnom Penh was dictatorial—ruled by only a few leading persons. But I have seen that [passage indistinct].

That is called (?the subchapter), meaning a point in the political pluralism. Secondly, where does political pluralism exist? We must look through the economic system, the socioeconomic components. As a pointer to determine whether a political regime is a communist or a socialist, we must first of all take a look at its economic components. If the economy belongs to the state and the collectivity, it is called socialist economy. But if there are state-run economy, private-run economy, and state-private economy, then they are called (?private economic system). Political pluralism emerges from economic components if we talk about philosophy, sociology, and political sience. Why? It is because in socialism, the state is the sole owner, the sole owner. Factories (?belong to the state). [words indistinct] except for the state's economy. That means that the party (?monopolizes all political power); there is no political pluralism. But if there appear the private economic components, including private economic components in agriculture, handicrafts, and industry, agriculturists, handicraftsmen, traders, and major industrialists, it is certain that political pluralism will immediately emerge according to its economic nature. Why? [passage indistinct] That is why we have entered the stage of political pluralism not just in 1991 but so much longer before that because we have had private-run economy. When there is a private-run economy, political pluralism emerges.

For instance, in order to encourage investors to invest millions of dollars in factories, hotels, banking, or any other enterprises, laws are required to protect not only the workers, but also the investors as well. That is called the nature of political pluralism. For example, Mr. (Heng Bunma) here who [passage indistinct] so much money to invest in Cambodia. If he does not love the nation, he would not have come. He has hundreds of millions of dollars in the bank. He can just stay home, read newspapers, and goes on tours by plane. But he [passage indistinct]. He left Cambodia because of the war, because of the genocidal Pol Pot regime. Now he has returned bringing in hundreds of millions of dollars to invest in our country, building markets and hotels and establishing many companies and factories.

So what (?will we get) from the construction of a factory? For instance, with a textile factory, we will solve the problem of jobless workers by providing them with work, fabric produced in the country can be sold at a cheap price, and the state will have revenue to support the educational, health, military sectors. The state and nation will greatly benefit from the investment. However, with the promotion of investment, law and regulations should be codified to protect the investors, encouraging them to make multimillion dollar investment. [passage indistinct] Protecting workers and all kinds of economic components is what they call political pluralism. We have entered a multiparty system, not only a political pluralism within the economic and democratic framework of a single party. We have now reached a multipaty phase. So in the future, Cambodia can implement nothing, except for the liberal democratic multiparty system. No body can change this type of trend that we are advocating. Therefore, I am of the opinion that we should proceed along our existing path.

At the beginning, they accused us of being communists. But when we asked them what should the communists do, they said communists should embark on private (?enterprise), use money, and have religions and schools. Why should we be told that? We have done that for years. We do not want to be taught.

They say if they win, they will introduce a liberal regime. So what should a liberal regime do? They say they will advocate private enterprise, use of money, restoration of religions, creation of markets and schools, and so on. Somehow, they will do as we have long done, nothing different.

Taking this opportunity, I would like to make more explanations. Politics is one matter, but the issue of practice is another. In Asia, democracy is different from that in Europe. Democracy in Thailand, Singapore, Malaysia, Indonesia is not the same as in Europe. Anyway, democracy in Cambodia has gradually evolved. In order to advance toward wellbeing and if we are able to proceed with the election process, we will erect the foundation of a liberal democratic multiparty system—I do not talk about the economic issue.

However, in the political matter, there is competion between different political parties representing various persuasions. Privately owned radio and television stations and newspapers have been created. Associations have been established by the people, including youth, women [words indistinct]—the aged persons association chaired by Dr. Kim Nget is to help promote old people's health and prolong their lives [words indistinct]. By the way, KAOH SANTEPHEAP and (?REAKSMEI KAMPUCHEA) newspapers have complained that a party, although not yet winning, has already threatened them. Anyway, as I have repeatedly made it clear, if a newspaper is privately owned and does not represent any political party, I will be very pleased with the information it provides to the government. This is because the newspaper is a kind of central power. Although we have not stipulated in the constitution that the newspaper is a central power, it has the character of an authority to help the government to proceed along a right path.

There is another issue that I wish to clarify here as well. I plan to establish and safeguard democracy forever. To enable democracy to survive eternally, after the elections, we will establish a mechanism that has an independent character and is not suject to any political party. I wish to say a bit that principles of all political parties are probably not different from one another, that is they have all envisioned the executive branch, the legislative branch, and the judicial branch. This major issue is a common concern of all the political parties. However, I and other personages in the party [words indistinct] after the elections, we will establish a mechanism with a number of components, that is firstly, the army should be neutral toward various political parties; secondly, police should be neutral toward various political parties; thirdly, [words indistinct]. This is to avoid the restructure when there is change of (?a ruling party). The army should be a national army and the police should be a national police, which will not be influenced by any political party. They will act in compliance with the constitution and laws. It is the same for the civil administration, it should also act according to the law. It is true that the soldiers, policemen, and administrators can politically support this or that party, but concerning the whole mechanism, the military, police, and administrative apparatus and diplomatic sector should be neutral toward all political parties. This is what we want to have. The past was another story. This was why when Lon Nol overthrew the samdech, he cleansed the samdech's supporters; and when the KR seized control of the country, they eliminated the admirers of Lon Nol and the samdech. As for us, we have eliminated nobody. We have even accepted those who used to work with the samdech and Lon Nol to work with us, except some of those whose hands were stained with blood under the Pol Pot regime. Those persons can never be accepted by the people and they are now within the FUNCINPEC party [words indistinct]. We are rallying all the political parties to work with our party, within our government. Suppose, if the CPP won, after striving to establish socioeconomic development during the next four years, our task will be to create a neutral mechanism: the army, police, civil administration, and diplomats have to be neutral. No army will protect just a specific political party, but all parties. Those violating laws should equally be punished or tried by the tribunal.

Our policemen's standing guard for various parties' offices at present represents a move toward the neutralization of our military, police, and administrative forces. In the future, there should be a neutral mechanism to safeguard democracy forever. [passage indistinct] Suppose, after the next four years, another political party will assume power [words indistinct]. If they remove persons, please remove only politicians. Leaders in various countries are replaced, for instance in the United States recently. When the Democratic Party took over from the Republican Party, Mr. Clinton assumed the presidency in place of Mr. Bush. However, only the cabinet members, secretaries of state, and a number politicians have been replaced. In the army, only the defense minister has been swapped.

Because the Defense Ministry portfolio is often occupied by a civilian. But positions from the rank of general staff down are all kept. [passage indistinct] The economic policy in Cambodia requires the organization of the mechanism (?in order to guarantee the progress) of our democracy. And after the growth, the democracy will remain and survive [words indistinct]. I guess I would be able to achieve that in my present life if I were not shot dead by one of the other political parties. It is certain that I can do that because from empty hands, I have, in cooperation with Heng Samrin and Chea Sim and other party leaders, democratized economy and liberalized all economic components. As a matter of fact, now we have (?state-run) economy, privately-run economy [words indistinct]. This is one of the democratic basics. This is political pluralism.

I have already accounted for some questions concerning [words indistinct], the problem of the Vietnamese, and the propaganda launched by some political parties about the issue of treaties. As for the claim by Mr. Son Sann that if the CPP wins, Cambodia will be flooded with the Vietnamese, and the rumor that Mr. Hun Sen is prepared to flee to Switzerland, to foreign countries because he has his money kept in Switzerland and that Hun Sen is the world's seventh richest man, they are of the same ilk as the accusation made by Lon Nol against Prince Sihanouk in the 17 March 1970 coup d'etat. I ask the compatriots to help arrest those conducting such a propaganda. I will sue Mr. Son Sann. He can never go free. He is tied now. Moreover, I am waiting to see the newspaper that carries the allegation, then I will institute my lawsuit against it. I know nothing about Switzerland. I never go to Switzerland.

In the past, they claimed in their propaganda that Mr. Hun Sen had houses, vineyard in France [words indistinct]. So the Cambodian people at home and abroad are invited to find out where are Hun Sen's houses, and in which banks in Switzerland, France, United States, Japan is Hun Sen's money deposited? When you find the money, you are free to take it [words indistinct]. They also claimed that a large-scale investigation will be conducted in order to take back Hun Sen's money deposited abroad. This is a very bad propaganda. Do I know any bank?

I acknowledge that I know France but I have never visited France. This is the truth. After leaving the airport, I went directly to the hotel; and after leaving the hotel, I went directly to the meeting. After the meeting, I went back to the hotel [words indistinct]. [passage indistinct] They also alleged that all the shop houses around the central market belong to Hun Sen's (?wife) [words indistinct]. Now, to make things less complicated, you can take all the houses that you know belong to Hun Sen's wife. [words indistinct] are also the property of Hun Sen's wife. You can take all of them. Go! But be careful, your head will be slashed if you dare take houses belonging to other people. And if you want to have the house near the Independent Monument, please go ahead. [words indistinct] Hun Sen owns houses in the United States, France, Japan, Australia [words indistinct]. It is the same group of people that previously made this kind of accusation against the samdech and sentenced the latter to death.

When living outside the country, they claimed in their propaganda that [words indistinct] the houses around the O Russei, Olympic, and Tuol Ta Pung markets in Phnom Penh were all owned by Hun Sen's wife [words indistinct]. And now when they are in the country, they allege that Hun Sen is the world's seventh richest man, who has money deposited in a Swiss bank, has houses in five countries. Please go and get them so as to make things easy. Look! They tell different lies all the times [words indistinct]. Nobody is making this sort of allegation, except for FUNCINPEC and Son Sann. Now the editors of the newspapers carrying this kind of allegation will be arrested and sued [words indistinct]. If you write this kind of article in Cambodia, I will institute a lawsuit against you with a Cambodian tribunal [words indistinct].

A (?tycoon) in Taiwan has a wealth worth over $20 billion and the Zairian president's (?aide) has $400 billion. Where can I get this large sum of money? Even if Cambodia is sold, it is still impossible to get this amount of money. As such, it is not right for those bad people to just hurl such allegations. Now I would like to appeal to the compatriots to help me arrest those making such a propaganda so that I can send them to the court of justice. They should not be allowed to continue committing such a deception. If you conduct the defamation, you must be arrested. I do not mean to politically threaten you. And UNTAC should clearly understand that I am making no political threat against anyone. If you just carry out normal political activities, it is your own business. But when you make slanderous accusation for the purpose of blackening someone's reputation [words indistinct]. I (?have sued) Mr. Son Sann for an indemnity of 10 million riels.

Why can Hun Sen be that rich? If I were the world's seventh wealthiest man [words indistinct]. And even if I bought motorbikes for every compatriot, my wealth is still cannot be used up. The allegation is terribly bad. Perhaps they have nothing to say apart from that. They have not said a single word about the houses abroad really owned by their bosses. I am still not naturalized and I do not own any house overseas. But their bosses have borne only foreign names [words indistinct]. Now they can take all the shop houses allegedly owned by Hun Sen around the Central, O Russei, and Tuol Tumpung markets. [passage indistinct] This is extremely bad. They are telling lies left and right.

And they spread the rumors yesterday that Hun Sen was making preparations to run away [words indistinct]. Let me put this straight: I stayed with the people when I did not have anything to eat; I stayed with the people when I had to eat only rice gruel in common kitchens under Pol Pot. And they have said that I want to run away! Let alone being one-eyed, even if I were half-paralyzed, I would not run away!

Hun Sen has allowed all of them to come to the country to set up political parties and they still say that if they win they will kill Hun Sen. They are unfair, ungrateful. Why should I run away? I am not going to run away. I do not know if they themselves will run away in the future but as far as I am concerned, I would like to make it clear that I am not going to run away. This is the fact and Gen. Kim Hang is going to come to the podium to inform all of you [words indistinct] if FUNCINPEC wins, its members will become district, commune, and village heads, [word indistinct], and teachers and the people will return to the country. If FUNCINPEC loses, it has ordered to its members that they will have to stay together and will be transported by truck or helicopter back to the border [passage indistinct]. Wait a moment. Mr. Kim Hang will tell you of all of that. Those who have gone to third countries are given dollars to come back [words indistinct]. Why don't they stay in the United States and why don't they just live in that country if they want so much to spend dollars? We are in Cambodia [words indistinct].

Now they are aware that they have the feeling they are going to lose and they are making preparations to run away. But Hun Sen is not going to run away.

So, that is all for the moment. The honorable patriarch is asked to allow Gen. Kim Hang to speak. Gen. Kim Hang was a FUNCINPEC officer. Now he [words indistinct] Gen. Kim Hang, Kan Rat, and Su Kimsun, for this is a policy of national reconciliation. Now that they have crossed over, we should let them work for us. This is part of our CPP and SOC Government's policy of national reconciliation. Last night, another major general—his name is Preap Bunthol and he has come from the United States—also decided to defect from FUNCINPEC. I have asked Prince Ranariddh to let other generals come and join the electoral campaign. But the prince dares not let them come. He has taken all of them back to the border. Only the cat's-paws are left in Phnom Penh. Otherwise, more and more would have defected. Mr. Yang Sem, for example, has asked to join us. The CPP is getting stronger and its ranks are expanding. I now would like to invite Gen. Kim Hang to take the floor.

Indonesia

Suharto Urges Japan To Increase Indonesian Imports

BK1905134693 Jakarta THE INDONESIA TIMES in English 3 May 93 p 1

[Text] Jakarta—President Suharto has asked Japan to increase its imports from Indonesia to prevent Indonesia from being affected by the negative impact of trade war between Japan and the United States.

After accompanying the head of state when receiving International Trade Industry Minister of Japan (MITI) [Ministry of International Trade and Industry] Yoshio Mori at the Bina Graha Presidential Office on Saturday [1 May], the trade minister, Satrio Budiarjo Yudono, told the press that the request was made as Indonesia does not like to be stricken by negative impact of trade dispute between Japan and the U.S.

Yudono said that tension between Japan and the U.S. has boosted the appreciation of the yen against the U.S. dollar which ultimately affect the rupiah.

"President Suharto said if Japan increases its imports from Indonesia, then Indonesia will get more foreign exchange, which part of it can be used to fulfil its obligation to pay its foreign debts," Yudono said.

After hearing President Suharto's request, Mori said Japan is ready to help Indonesia, especially in increasing Japan imports. The Indonesian export value to Japan in 1992 was worth U.S. $10 billion and imports U.S. $6.5 billion.

Yudono said that Japan has asked detailed information on the implementation of ASEAN Free Trade Area (AFTA) beginning in 1993.

Japan requested for the information because the gradual implementation of the AFTA in 15 years will affect Japan's exports to the ASEAN region as well as its investment.

PRC Official: 'No Intention To Politicize' Investment Plan

BK1905131593 Jakarta THE INDONESIA TIMES in English 5 May 93 p 1

[Text] China has no intention to politicize a plan to invest here in two joint-venture projects, vice chairman of Chinese Planning Commission said here Tuesday [4 May].

"Our aim to visit Indonesia is to explore such cooperation. We view if conditions dealing with the projects could be solved one by one, the cooperation could be implemented," Ye Qing replied newsmen's questions following a meeting with President Suharto here on Tuesday.

Ye Qing said he did not read news reports saying the cooperation has more political than economic motive.

"Sinopec [China Petrochemical Corporation] has no such an intention," he added.

Ye Qing met the President together with President of China Petrochemical Corporation (Sinopec) Sheng Huaren. They were accompanied by Prayogo Pangestu, president of Barito Pacific Group, and Bambang Trihatmojo of Bimantara Group.

The Chinese 14-member delegation arrived here last Wednesday for a seven-day visit winding up Tuesday afternoon on invitation of Barito Group.

The Barito Pacific Group-led consortium Thursday evening signed two memorandums of understanding (MOU) with Sinopec for the construction of an oil refinery and an urea fertilizer factory here. The two projects will cover investment between U.S. $2 [billion] to 3 billion.

Huaren told newsmen that Sinopec focuses its potential for domestic investment, and overseas investment is still in small amount.

Huaren said that China, in developing agriculture, needs a lot of fertilizer. China produces a big number of chemical fertilizer, but it has not yet met domestic consumption. "Therefore, we import a big amount of chemical fertilizer," he added.

"To meet the need for chemical fertilizer, we are ready to build fertilizer factory close to the source of feedstock, and Indonesia is rich with natural gas," Hauren said.

He indicated that Barito Pacific, Napan, and Bimantara Groups are to cooperate with Sinopec to build the chemical fertilizer factory.

"We will study with our partners on various conditions and environment for the construction of the factory," he added.

China, he added, would take decision to invest here if economic and technology conditions are feasible. "President Suharto gives full support on this cooperation and suggests the cooperation should give mutual benefit for the two sides," Huaren added.

Huaren said that China imports 20 million tons of chemical fertilizer annually. China imports the fertilizer from Kuwait, Iraq, Canada, South America, Japan, and several East European countries.

Huaren disclosed that they have also discussed with the president on the plan to build an oil refinery here. The president suggested the two sides to make further study on that field of cooperation.

The two sides, said Huaren, expected the process is expected to be completed soon.

Huaren said that Sinopec and Prayogo Pangestu who leads Indonesian consortium have agreed to set up a joint experts team to carry out feasibility study.

Answering a question, Huaren said that the cooperation would only involve Sinopec and Indonesia's consortium of Barito, Japan, and Bimantara. He asserted that the groups are ideal partners that Sinopec could trust.

Sutrisno Receives DPRK Official; Views South-South Cooperation

BK1905134493 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 19 May 93

[Text] Vice President Try Sutrisno has reiterated that South-South dialogue should not be allowed to reach a stalemate and cause friction among the countries of the South. It is important that differences between these countries be solved.

Speaking to newsmen after receiving a courtesy call from North Korean foreign minister Kim Yong-nam at the South Merdeka Palace in Jakarta today, Sutrisno said that countries of the South must consolidate South-South cooperation in view of the current era of globalization.

During the visit, Kim Yong-nam was accompanied by Sumadi, a special aide of the minister and state secretary. Later, Sumadi told newsmen that Vice President Sutrisno also gave the assurance that the developing countries of the South are fully determined to hold a dialogue with the developed countries of the North.

During the meeting, Kim Yong-nam also extended an invitation to Sutrisno to visit North Korea.

Defense Minister Receives UK Defense Secretary

BK1905155293 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 19 May 93

[Text] British Defense Secretary Malcolm Rifkind called on General Edi Sudrajat, minister of defense and security, at the latter's office in Jakarta today. Rifkind is on a two-day visit to Indonesia. Rifkind was accorded a military ceremonial welcome upon his arrival at the Defense and Security Department.

During their official meeting, Rifkind and Gen. Edi Sudrajat exchanged views on various efforts to further promote the existing good bilateral ties and cooperation between Indonesia and Britain. The British defense secretary was accompanied by British Ambassador to Indonesia Roger J. Carrick and several other staff personnel. They also discussed regional and international issues.

A press release from the Defense and Security Department in Jakarta said that the British defense secretary expressed great appreciation for the role of the Armed Forces of the Republic of Indonesia [ABRI] in helping to create peace in the world under the aegis of the United Nations. Rifkind also expressed appreciation for Indonesia's idea that regional stability can be created by strengthening the national resilience of each individual country.

Suharto Expresses 'Concern' Over Inflation Rate

BK1905134793 Jakarta THE INDONESIA TIMES in English 7 May 93 p 1

[Text] President Suharto expressed his concern over high inflation rates in the past three months—January, February, and March—stressing that inflation rate must be controlled.

Suharto, according to Information Minister Harmoko, expressed the concern in the limited cabinet meeting on economy, finance, industry, and trade he chaired on Wednesday [5 May].

The meeting recorded that in April inflation rate reached 0.15 after jumped to 2.92 percent in January, 2.03 percent in February, and 1.49 percent in March. Inflation rate from January to April was 6.59 percent.

Harmoko told newsmen following the meeting that prices of food commodities declined as of April after moving up during the past three months.

Harmoko said that money supply in March was over Rp. [rupiah] 30.5 trillion.

The president was reported to have stressed the improvement of coordination to smoothen distribution of main commodities to control inflation rate.

"All ministries dealing with supply of the people's basic needs should pay serious attention on coordination to control inflation rate," Suharto was quoted as saying.

Touching on Indonesia's foreign trade, Harmoko said that Indonesia enjoyed foreign trade surplus of U.S. $1.48 billion in April. Exports in February were $2.959 billion, while imports were over $1.082 billion.

The head of state, according to Harmoko, has also stressed the need to improve efficiency and post-auditing because it is very important thing to increase non-oil export from year to year. To achieve the purpose, the president urged the two coordinating Ministers to build good coordination.

The meeting also discussed on export projection, and the ministers asserted that Indonesia has been developing industry having global competitive power.

The meeting, said Harmoko, indicated that projection of industrial growth of 17 percent annually could be achieved on conditions business circle should boost its spirit and creativity, the increase of investment, sufficient means and infrastructure, availability of funds, conducive investment climate, skilled human resources, and market access to trade partners.

Harmoko said that Industry Ministry, Indonesian Chamber of Commerce and Industry (Kadin), and associations of producers in groups of multivarious industry, basic chemical industry, basic metal industry, and electronics held a meeting to discuss on export projection. The association represented 5,600 small and medium scale businesses.

They constituted 63 percent of the national total export or with total value of $19.97 billion. The medium scale businesses employ 450,000 and small-scale businesses employ 7.3 million people.

Laos

UN Representative Signs Chemical Weapons Accord

BK2005021493 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 20 May 93

[Text] A report from the Foreign Ministry said that on 12 May at UN Headquarters in New York, the United States, Mrs. Kannika, charge d'affaires of the Lao People's Democratic Republic [LPDR] at the United Nations, representating the Lao Government, signed the Antichemical Weapons Treaty to make Laos a member country of the treaty. The treaty prohibits the production, stockpiling, and use of chemical weapons and stipulates that such weapons be destroyed.

The signing of the treaty by the Lao envoy reaffirms the sincere support of the LPDR to the spirit and substance of the treaty. It is well-known that in the past as well as in the present, the LPDR Government has never had any chemical weapons in its possession and has never used nor will ever use such dangerous weapons. At present, 144 countries have signed the treaty and three of them have already given ratification to it. The LPDR will consider ratifying this treaty on an appropriate occasion in the future.

SRV Interior Ministry Delegation Departs 18 May

BK1905134193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 19 May 93

[Text] A Socialist Republic of Vietnam Interior Ministry delegation led by Lieutenant General Bui Thien Ngo, Political Bureau member of the Communist Party of Vietnam Central Committee and interior minister of the SRV, left for home yesterday morning, after completing a six-day official friendship visit to the Lao People's Democratic Republic [LPDR]. The visit was made at the invitation of Major General A-sang Laoli, member of the Lao People's Revolutionary Party [LPRP] Central Committee and interior minister of the LPDR.

While in Laos, Lt. Gen. Bui Thien Ngo, SRV interior minister and his delegation paid courtesy calls on Khamtai Siphandon, chairman of the LPRP Central Committee and prime minister of the LPDR; and Nouhak Phoumsavan, Political Bureau member of the LPRP Central Committee and president of the LPDR.

In addition, the SRV delegation led by its minister, Lt. Gen. Bui Thien Ngo, held consultations with a Lao

Interior Ministry delegation on the implementation of the friendship and all-round cooperation agreement between the Interior Ministries and the direction and plans for future cooperation.

After that, the Lao interior minister accompanied the Vietnamese delegation to visit a number of historical and ancient sites and production establishments in Vientiane municipality and Luang Prabang Province, where the visitors were warmly and cordially welcomed by cadres, combatants, and people.

The success of the meeting and talks between the Lao and Vietnamese delegations will contribute to the gradual enhancement and strengthening of comprehensive cooperation between Laos and Vietnam, and especially between the Interior Ministries of the two countries.

Border Crossing Point Opened With Thai Province

BK2005020493 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 20 May 93

[Text] On 14 May at the ferry landing of Paksan District, a ceremony was held to open a permanent border crossing point between Laos' Bolikhamsai Province and Nong Khai Province of the Kingdom of Thailand. The crossing point between the ferry landing of Paksan District and Bung Kan District in Thailand has been henceforth designated as a permanent border crossing spot.

Amkha Phommali, deputy governor of Bolikhamsai Province, and Prachuap Wutthicharoen, deputy governor of Nong Khai Province, cochairmen of the ceremony, took turns to speak to the audience. Both persons pointed out the importance of the opening of this permanent border crossing in accordance with an agreement reached by the Lao and Thai Governments. They noted that the opening of the border point was aimed at expanding cooperation between the two countries at the local level so as to allow Lao and Thai people to exchange visits and trade with one another in accordance with the correct procedures and regulations adopted by the governments of the two countries.

Renovation of Samneua Airfield Begins

BK1805054993 Vientiane PASASON in Lao 8 May 93 p 1

[Text] Nathong airfield in Samneua District of Houa Phan Province, which has been left unused for many years, is now being repaired and restored for normal use again.

To commence the repair work, on 4 May a ribbon-cutting ceremony for cornerstone laying was jointly performed at the airfield by Maisouk Saisompheng, member of the Lao People's Revolutionary Party Central Committee and chairman of the Lao Front for National Construction, acting on behalf of the government, and Somphan Phengkhammi, governor of Houa Phan Province.

According to Sai Phakasoum, chief of the office of the Ministry of Communications, Transport, Posts, and Construction, in the initial stage of the repair work, the government has allocated 159 million kip in the budget for building a laterite runway. The Mechanized Farm Tools Construction Company has been granted a contract to carry out the repair work which is expected to be complete by mid-1994.

Article Views First-Quarter Foreign Investment

BK1905125993 Vientiane PASASON in Lao 5 May 93 p 2

[Feature by So Phanthavong: "More Than U.S. $52 Million Were Invested in the First Three Months of This Year"]

[Text] According to statistics of the Investment Management Committee, from January to March 1993, the Office of Foreign Investment Management Committee granted permission to foreign investments in 49 projects worth U.S. $52,798,238. The aggregate foreign investment covers 91.3 percent of the total investment value. Foreign investors alone have invested in 57 percent of the licensed projects. Some of the old projects were eventually approved because of their adjustments in capital, operation partners, or investment pattern.

Investment projects this year can be divided into two categories. Twenty-one of them are joint ventures, representing 43 percent of the total number of projects. Their combined investment is $13,917,127 representing 26 percent of the total investment value. Foreign capital will completely finance 28 projects, or 57 percent of the projects, with a combined capital of $38,881,111, or 74 percent of the total investment.

Investments can be classified into three areas. In agriculture, there are 19 projects, or 38 percent of the total number of projects. The combined investment is almost $17 million, or 32 percent of the total investment. There are 18 projects in services, or 37 percent of the total number of projects, with a combined investment of more than $18 million, or 35 percent of the total investment. In industry there are 12 projects, or 25 percent of the total number, with a combined capital of more than $17 million, or 33 percent of the investment.

The countries investing in Laos are Canada, South Korea, China, the Commonwealth of Independent States, Taiwan, Thailand, France, Malaysia, Japan, Sweden, Vietnam, Australia, the United States, and Hong Kong.

Thailand tops the list with investments in 22 projects worth more than $24 million. Second is China with six at $7.9 million, while Malaysia has invested $5 million.

It is notable that the investment in Laos in early 1993 is basically foreign and focused on agriculture. Furthermore, investors have heavily invested in provinces such as Savannakhet, Khammouane, Champassak, Xieng Khouang, Bolikhamsai, Vientiane, Luang Prabang, Sekong, and Houa Phan. All this undeniably reflects the confidence investors have in starting businesses in our country.

National Assembly Chief Visits Champassak

BK1905080393 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 May 93

[Text] Since 13 May, Saman Vi-gnaket, chairman of the National Assembly, and eight National Assembly members who ran for election in Constituency 15, Champassak Province, have visited and chatted with more than 2,000 people in some areas in Districts of Phonthong, Soukhouma, Champassak, and Paksong, Champassak Province.

This was the first time the National Assembly chairman and his party has ever paid a visit to the people in the constituency after the general election in late December 1992. Saman Vi-gnaket took this opportunity to inform the people of the results of the election and the success of the inaugural meeting of the National Assembly. He praised the people of various ethnic groups in Champassak Province for actively contributing to various activities, thus making the election a fine success.

On the same occasion, the National Assembly chairman also asked the people in each area he met about their living conditions and interests in a cordial and hospitable manner that satisfied them all.

Philippines

Romulo Emphasizes U.S. Ties 'Strictly Economic'

HK2005024093 Quezon City MALAYA in English 20 May 93 p 2

[Text] Manila will continue to attach high priority to its relationship with the United States but "on strictly economic terms," Foreign Secretary Roberto Romulo said yesterday. Romulo, expounding on the shift of the country's foreign policy, told the American Chamber of Commerce at the Shangri-la that the Philippines has begun looking toward East Asia for the "greatest opportunities and the largest potential for economic gains."

Romulo said the relationship between the Philippines and the U.S. has changed "significantly" with the closure of the American bases in the country. "I emphasize and draw everyone's attention to East Asia, because historically our eyes have been trained to focus on the United States," he said.

Romulo said the dynamism of the so-called dragon economies in the region and the emergence of the ASEAN Free Trade Area has made East Asia "a recognized economic powerhouse" which the Philippines must give due cognizance. Among the countries which he gave specific notice were Japan, the leading provider of official development assistance; Taiwan, now the leading source of foreign investment for the country; and South Korea.

Romulo said ties with the U.S. remain high on the Philippine agenda, as it is the only remaining superpower. He acknowledged that American perceptions on the country will continue to have an influence on how other nationals would look at the Philippines. The U.S. is also the largest market for exports and hosts an estimated two million Filipino-Americans, he said.

Romulo said, however, the Philippines has to compete for American markets and investments as well as tourists not only from a horde of countries but also with Mexico, which forms part of the North American Free Trade Area. He said should the Clinton administration's program of revitalizing the U.S. economy take off, the Philippines will also have to compete against "America's own leader and maybe even government-assisted industries."

Police Capture Suspect in Murder of U.S. Colonel

HK2005074693 Hong Kong AFP in English 0712 GMT 20 May 93

[Text] Manila, May 20 (AFP)—An alleged communist rebel chief linked to the assassination of a U.S. Army colonel and the kidnapping of an American businessman has been captured, the Philippine National Police said Thursday [20 May]. Roger de la Torre, a suspected leader of an urban guerrilla unit of the New People's Army (NPA), was captured by police and military intelligence units on Wednesday in the central province of Iloilo, a PNP statement said.

De la Torre, who had a 600,000-peso (220,000-dollar) price on his head, was suspected of acting as a driver in the street ambush of U.S. military adviser Colonel James Rowe in suburban Manila in 1989, the PNP said.

Rowe was the highest-ranking U.S. officer killed by the NPA in the Philippines, which ejected U.S. military bases last year. Two men convicted of the assassination are serving life terms, and Washington has urged Manila to exclude them from a general amnesty planned by the government should it succeed in forging a negotiated settlement to the 24-year-old communist insurgency led by the NPA.

De la Torre also served as a "ransom negotiator" during the February 1992 kidnapping of U.S. business executive Michael Barnes, and took part in the assassination of two local labor leaders in 1990 and in a "commando sabotage attack" of a government building in 1989, the PNP added. Barnes, vice president of a local subsidiary of the U.S. energy group Unocal, was rescued unharmed by police.

The leader of the kidnappers, Alfredo de Leon, was shot dead by police in his hideout north of here earlier this year. The NPA has disowned de Leon and his group, which went by the name of Red Scorpion Group, describing it as a band of renegade guerrillas who engaged in criminal activities with the protection of military officials.

Malacanang Notes Schedule for Ramos' ROK Visit

HK2005031693 Manila MANILA STANDARD in English 20 May 93 p 4

[Report by Marichu A. Villanueva]

[Text] Malacanang announced yesterday that the four-day state visit of President Ramos to the Republic of South Korea (ROK) on May 23-26 will be highlighted by the signing of four bilateral agreements.

The Palace billed the South Korean visit of Mr Ramos as an "emotional trip" for both countries. Details of the state visit to South Korea by President Ramos were disclosed to media yesterday by Press Secretary Jesus Sison and outgoing Philippine Ambassador to Seoul Raul Rabe.

While in Seoul, President Ramos, South Korean President Kim Yong Sam and Malaysian Prime Minister Dr. Mohamad Mahathir are among the heads of states who will address the Pacific Basin Economic Council (PBEC) International General Meeting on May 24.

On the same day, Mr Ramos will hold another one-on-one meeting with Mahathir on steps being taken by both the Philippines and Malaysia to resolve the Sabah dispute. Mr Ramos first met Mahathir in Brunei last year and in Malaysia last January.

Rabe said the four bilateral agreements expected to be signed by the two governments are the RP [Republic of the Philippines]-ROK Extradition Treaty, the Letter of Transfer of Patrol Craft to the Philippine Navy, the Department of Agrarian Reform (DAR)-Saemaul Undong Cooperative Agreement and the RP-ROK Investment Guarantee Agreement.

The President will be accompanied by a 40-member delegation from the local business community who will sign several joint-venture agreements with Korean businessmen.

The private joint-venture agreements to be signed include Daewoo-Transfarm (of Cebu) joint venture agreement on car assembly and wheel manufacturing, Daewoo-Western Appliances Agreement on Appliance Marketing; Halla-APO Cement Agreement on cement manufacturing; and the establishment of a cement plant in Cebu City.

Among the Filipino businessmen going to South Korea with the President are Ricardo Guevarra and Samson Lim, who are members of the Phil-Korean Economic Council, Mrs Elena Lim of Korea's Samsung Appliances, Raul Concepcion, and Jose Facundo.

Rabe said Mr Ramos will also make a "sentimental visit" to the monument of his co-veterans in the Philippine Expeditionary Forces to Korea (PEFTOK), who fought during the 1950-1953 Korean War.

Quoting the South Korean Foreign Ministry, Rabe said Mr Ramos is the "only head of state" who had participated in the Korean War, to visit the peninsula again as a top government official.

"So, he (Mr Ramos) has this special and unique bag which makes this visit something of an emotional trip for both sides," Rabe pointed out.

Aside from Rabe and Sison, the president will be joined in the state visit by First Lady Mrs Amelita Ramos and a 12-man official party that includes Defense Secretary Renato de Villa, Trade and Industry Secretary Rizalino Navarro, and Foreign Secretary Roberto Romulo.

This will be the fifth foreign travel by Mr Ramos this year and the seventh since assuming power last June.

As in his previous state visits, the President will meet with the Filipino community in South Korea composed of about 15,000 Filipinos, including 12,000 who are considered illegal aliens.

Former Opposition Party Joins Ramos Coalition

HK1805132093 Quezon City ABC-DWET Television in Tagalog 1000 GMT 18 May 93

[From the "ABC-DWET News Program," in English]

[Text] With the Nationalista [Nationalist] Party joining the Strength-National Union of Christian Democrats [NUCD], the observation is being reinforced that the opposition is on the wane in Philippine politics. Just recently, several legislators warned against the dangers of having only one political party.

But former Vice President Salvador Laurel believes that it will be better for the country that his party joined the coalition of President Fidel V. Ramos.

[Begin Laurel recording in English] This is not the time for partisan bickering. This is the time for unity. [end recording]

President Ramos indicated that the Nationalists' joining the Strength-NUCD coalition will strengthen the country's unity, particularly in the Southern Tagalog region.

Laurel said the Nationalists will continue playing the role of the opposition, although in a positive way.

[Begin Laurel recording in English] The opposition should be constructive. It should not be destructive. [end recording]

To make their joining the Strength-NUCD worthwhile, the Nationalists are expected to be given government positions, including Laurel who was foreign affairs secretary during the administration of President Cory Aquino.

[Begin Laurel recording in English] That is something that probably will have to be decided upon because it was suggested that there will be a joint committee that will look into matters of this nature, both in the political as well as in the bureaucracy side. [end recording]

Ramos meanwhile asked House Speaker and Strength-NUCD Chairman Jose de Venecia to immediately set up the joint committee that will resolve the role of the Nacionalista Party in the Ramos government.

NUC Official Says 'Peace Process Continues'

HK1805134093 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 18 May 93

[Text] The peace process continues between the government on one side and the leftists and rightists on the other despite problems being encountered by the National Unification Commission [NUC].

This was learned today from NUC Vice Chairman and Defense Secretary Renato de Villa in an interview with newsmen at the Senate.

The NUC vice chairman said the second round of negotiations with the rightist rebels will push through on 30 June despite their leaders' disagreements over who will represent them.

De Villa also said Congressman Eduardo Ermita has confirmed that the Moro Islamic Liberation Front and Moro National Liberation Front are firm in their decision to negotiate with the NUC on the issues raised by the Tripoli Agreement.

He added that in the case of the National Democratic Front [NDF], NUC Chairperson Haydee Yorac may meet with leftist leaders during her speaking engagement in Europe, although it has not been ascertained yet who among the NDF leaders would meet with her.

Thailand

Uthai Details Moves To Avert U.S. Trade Sanctions

BK2005043793 Bangkok THE NATION in English 20 May 93 p B3

[Text] Commerce Minister Uthai Phimchaichon yesterday said his last-minute negotiating in Washington earlier this month was responsible for pulling Thailand back from the brink of damaging trade retaliation by its largest trading partner.

Speaking yesterday at the Thai Economy in the World Forum conference, jointly organized by the Nakomthon Bank, the Thai Chamber of Commerce and the Economic Reporters Association, Uthai said Thailand narrowly escaped the U.S. trade sanctions under its Special 301 Trade Act thanks to his work as the leader of the last Thai trade delegation to visit Washington.

"It is not only to the country's credit, but it is also because of me, who moved Thailand out from under the U.S. threat," Uthai said, speaking at a seminar session called "Negotiation Techniques and the Background of the Thai-U.S. Trade Talks."

Uthai and a small, hand-picked negotiating team flew to the United States on April 28, just two days before the U.S. Trade Representative (USTR) announced its priority foreign countries (PFC) watchlist of nations thought to be involved in unfair trade practices. Although Thailand was included on the list for the third consecutive year for its alleged repeated violation of international intellectual property rights, Uthai managed to meet with USTR Mickey Kantor a day after the announcement. During that meeting Commerce Minister Uthai said he convinced the USTR to delay sanctions under the U.S. Special 301 trade law—which could be used to impose 100 per cent import tariffs on Thai exports going to the United States—until the end of July to give Thailand a chance to improve its drug patent and copyrights record.

Uthai said two things contributed to his success in his negotiations with USTR Kantor including his sincerity and his close-linked lobbyists in the U.S.

The minister said he demonstrated his sincerity with his decision to rush to the United States two days before the USTR's April 30 PFC announcement. Uthai also told the conference that he had been informed by an insider prior to April 30 that Thailand would not see immediate retaliation under the U.S. Special 301 Trade Act.

"That prompted me to rush there, even if it was two days before the deadline," he said. "What if I hadn't been there? The U.S. would have thought Thailand is playing the same delay tactics again, and as the deadline was still there, the U.S. could have reversed (its decision on trade sanctions) at the last moment."

Uthai said the criticism that he should not have gone to the United States when the USTR might have been too busy with its announcement to meet with him was in bad taste. "USTR Mickey Kantor even opened his office to meet me later on Saturday (May 1)," he said. "Well, you can consider whether that's a red-carpet welcome or not when Saturdays, to most Americans, are holidays reserved for rest and relaxation only."

Uthai said another key to his success in Washington was his lobbyists. "We were able to reverse the situation in the two weeks before the announcement not only because we announced certain acts to crack down on intellectual property rights violations, but also because this information easily reached the United States thanks to our lobbyists there," Uthai said. Uthai said his lobbyists advised him to print an outline of his political experience as a sincere politician so that it could be distributed to several highranking U.S. officials. "With my experience as the Chairman of the House Representatives for two terms, the U.S. which deeply believes in democracy trusted me," Uthai said.

The minister said he managed to solve every issue in the bilateral trade dispute except the one involving the back-dated protection period for "pipeline" drugs, drugs which are already invented but not yet marketed in Thailand. The United States is demanding a back-dated pharmaceutical patent protection period of seven years. Thailand, in the meantime, has so far said it plans to extend the protection period to four.

But Uthai said Thailand doesn't have to worry about the number of years of protection period since a recent letter from Mickey Kantor said only that "the U.S. hopes that Thailand will amend its (laws to be) as close as (possible) to the U.S. demands." Uthai said the letter implies that Thailand can extend the patent protection period to conform to the U.S. demand of seven years or it can extend the protection for less.

Spokesman Reports Prasong-Christopher Meeting

BK2005095593 Bangkok Radio Thailand Network in Thai 0530 GMT 20 May 93

[Text] Sakthip Krairoek, director general of the Information Department, reported that Foreign Minister Squadron Leader Prasong Sunsiri had a meeting with U.S. Secretary of State Warren Christopher on 17 May in the United States. Minister Prasong was in the entourage of her majesty the queen during her visit to the United States.

According to the spokesman, the U.S. secretary of state thanked the Thai Government for the military equipment offered as help for the Cambodian people during the general elections on 23-26 May. The U.S. praised Thailand for seriously supporting the UN peace process and agreed to a meeting with Thailand during the ASEAN conference of dialogue partners in Singapore in July to discuss about the Khmer Rouge's refusal to participate in the UN peace plan.

The Thai foreign minister also reported to the U.S. secretary of state on the progress of the talks between the Thai commerce minister and the USTR [U.S. Trade Representative] on intellectual property protection. The foreign minister asked the U.S not to let the issue hamper long-term and broad bilateral cooperation. The U.S expressed satisfaction for the progress achieved in bilateral negotiations as well as the measures taken by Thailand on this issue.

Doctors Object to U.S. Demand for Drug Patents

BK1905142993 Bangkok Army Television Channel 5 in Thai 1200 GMT 19 May 93

[Text] A group of public health organizations, including the Army Medical Association, the Association of Rural Pharmacists, the Pharmaceutical Problems Research Group, and the Coordination Committee of Private Organizations on Preliminary Health Care, has objected to the government's compliance to the U.S. demand for seven years of backdated patenting of drugs not available in Thailand. According to them, the move would cause local drug prices to go up and thus reduce the capability of small clinics and hospitals in servicing the people. Thailand, they said, has already given patent protection to pharmaceutical products and imports that it still cannot manufacture. Drugs locally manufactured are those whose patents have already expired.

Dr. Prawit Lisathaphonwongsa, member of the Association of Rural Doctors, said the U.S. demand has nothing to do with drug patent violations. The U.S. Government was exerting economic pressure on Thailand in order to get the Thai Government to protect U.S. interests.

The group has proposed to Commerce Minister Uthai Phimchaichon that Thailand reject the U.S. demand, and that the issue be submitted to the parliament for debate.

Israel's Peres Meets Chuan En Route to PRC

TA2005101093 Tel Aviv 'AL HAMISHMAR in Hebrew 20 May 93 p 3

[by Pe'erli Shahar]

[Excerpt] Thailand will look into the possibility of opening an embassy in Israel and implementing the aviation agreement signed by the two countries, Thai Prime Minister Chuan Likphai told Foreign Minister Shim'on Peres, who stopped over in Bangkok en route to Beijing.

The Thai leader expressed his gratitude for Israel's aid in the agricultural sphere. "We see Israel as a model of a country that has made impressive achievements in the scientific and technological fields," Likphai said. [passage omitted]

Government To Reduce Tariffs To Attract Investment

BK1905015193 Bangkok THE NATION in English 19 May 93 p B2

[Text] The Thai Government will initiate a tariff liberalization scheme to reduce import taxes on raw materials and machinery and will simplify immigration procedures in order to attract foreign investment, said Dr Suphachai Phanitchaphak, Deputy Prime Minister.

The minister announced the plans at the fourth joint economic cooperation meeting of the Chinese National

Association of Industry & Commerce (CNAIC) and the Federation of Thai Industries (FTI).

Bilateral trade between Thailand and Taiwan has grown from Bt [Baht] 440 million in 1987 to Bt2.6 billion in 1992.

Although Taiwan was still the third largest foreign investor in Thailand in 1992 with BoI [Board of Industry] promotional projects worth US$3.7 billion, her investment in Thailand has been declining steadily in the past few years.

In comparison, Taiwanese investors have dramatically increased their stakes elsewhere in Indochina and in China.

To encourage more foreign investment, Dr Supachai emphasized Thailand's position as the gateway to Asean countries under the Asia Free Trade Area (AFTA) agreement and as a dynamic hub for penetrating the neighbouring states of Indochina and Myanmar (Burma).

The minister pointed out Thailand's active role in the East Asia Economic Caucus (EAEC), and the council for Asia-Pacific Economic Cooperation (APEC).

Dr Supachai also highlighted Thailand's recent efforts initiating coordination in the development of the Mekong economic sub-region covering south China, Northeastern Thailand, Laos, and Myanmar.

On a practical level, a double taxation treaty will be signed by the two countries during the joint meeting.

In addition, several workshops are to be conducted for the exchange of views and information with the emphasis on the electrical, electronics, plastic, rubber, metal, machine tool, and high tech industries.

Further on Restructuring Plan

BK2005040193 Bangkok THE NATION in English 20 May 93 pp B1, B3

[Text] Deputy Prime Minister Suphachai Phanitchaphak said yesterday that his government is considering a long-term plan to lower protections for certain domestic industries and to restructure the country's import tariffs in order to push Thai industries to be competitive in the world market.

Speaking at the conference entitled "Thai Economy in the World Forum" held by Nakhonthon Bank, the Thai Chamber of Commerce, and the Economic Reporters Association, Suphachai said the government cannot afford to protect industries as it has in the past if Thailand is to compete internationally.

"We have to choose certain industries which are ready for international competition, such as the textile industry which is already in full gear. Other industries include certain component and parts manufacturers and the airconditioner industry," Suphachai said.

To keep these Thai exports competitive, the Chuan Administration is considering restructuring import tariffs, said Suphachai.

Currently at more than 30 per cent, import tariffs on raw materials and ready-to-assemble products are to be reduced to 0-20 per cent.

"The government is preparing a reduction programme to complete within six months," Suphachai said.

With lower tariffs on imports of raw materials, the prices of items produced in Thailand will be lower, making them much more competitive.

Other means than tariffs can be used to protect Thai industries from unfair competition in the current international trade war. The government is considering setting up anti-dumping (AD) and countervailing duty (CVD) trade laws.

Under AD laws, the government can stop dumping actions—the selling of products for less than they cost to produce in order to gain a larger market share—by Thailand's competitors if domestic investors are hurt. Similarly, CVD laws give the government power to impose additional duties on imports which have been subsidized by other governments, giving them an unfair advantage in competition with Thailand's domestic production.

Suphachai added that the government also intends to increase Thailand's role in international affairs, both within Indochina and in international trade forums.

"We begin recently by launching international banking facilities to make Thailand a financial centre of Indochina, and by promoting sub-regional economic cooperation such as in the border area of Thailand, Burma, Laos, and southern China," Suphachai said.

In international trade forums, Thailand wants to increase its role in order to protect the country's trade interests, such as its access to markets for its agricultural products.

"We are hosting the Cairns Group's meeting in Bangkok in June. If it is successful, Thailand will develop a higher profile in international trade negotiations," Suphachai said.

Consisting of 14 countries with strong agricultural sectors led by Australia, the Cairns Group supports the reductlon,ot faml subsidies.

Asked to comment on the country's unimpressive export figures during the first quarter, Suphachai said that the exports which have not reached their targets are mostly agricultural products such as rice.

"Overall, our outlook is still good. We expect our economy to expand by 7.5-8 per cent this year compared to the world's growth rate of only five per cent," Suphachai urged.

Supporting Suphachai's call for lower import tariffs, the President of the Thai Chamber of Commerce Prayun Thaloengson blamed the decrease in export growth on the inability of Thai exporters to compete internationally.

Due to high import tariffs on raw materials and labor costs, Thailand is losing its markets to neighbouring countries such as Vietnam and China.

Thai Garment Manufacturers Association President Wirot Amatakhunchai complained about the constant increase in labour costs.

"The increase does not go to labourers. They must use their raises to pay ever higher prices for the same goods as the cost of living skyrockets," Wirot said.

Suphachai: 7.5-Percent Economic Growth 'Realistic'

BK2005044593 Bangkok THE NATION in English 20 May 93 p B14

[Text] Thailand's 7.5 per cent growth forecast still looks possible provided the country pursues its long-term goals, according to top Thai economists.

Deputy Prime Minister Suphachai Phanitchaphak commented that the forecast, lowered from 7.8 per cent, is a realistic target if the country can successfully spread income distribution. This is one of the government's main objectives, along with improving education and increasing savings.

The projection was reduced because exports grew by only 12 per cent as opposed to an expansion of 19 per cent in imports in the first quarter of this year compared to the same period last year.

Suphachai added that although the country's economy is likely to experience a lower growth rate increases in local investment and domestic consumption could compensate for the current account deficit to some extent.

Despite a decline in the number of applications submitted to the Board of Investment during the period, the deputy prime minister hoped that those who have already received promotional privileges will proceed with their investment plans, driving investment to expand by 16 per cent.

According to the Fiscal Policy Office, the public sector just began withdrawing their budget allotments in May, 67 per cent of the allotted funds have been withdrawn.

The public sector will be encouraged to accelerate its spending, said Suphachai, because while exports have played and will play a significant role, this year Thailand must rely on domestic expenditures to maintain growth.

According to Suphachai, export-related problems should be less significant as the global economy improves following the trade policies of European Community and the United States' President Bill Clinton. Though imports exceeded exports in the first quarter, the deputy prime minister saw no problem for the longer term since most of imported items were capital goods which would lead to increased production.

"This government does not want a bubble economy like in the past when growth led to social setbacks and problems such as overloaded infrastructure and narrow income distribution."

Nimit Nonthananthawath, Bangkok Bank's Research Department manager, is optimistic that the country's growth will not be lower than 7.1-7.2 per cent despite the slowdown in foreign and public investment. Though the government is initiating fewer large-scale projects, private investment and spending can sustain the growth rate.

He suggested that due to the dim short-term prospects, the public sector should concentrate not on monetary policies but on fiscal policies. Luxury imports such as cars with price tags from Bt [Baht] 3-5 million should be subject to higher taxes.

Narong Srisa'an, senior vice president of Thai Farmers Bank, added that the lower growth is inevitable because of the global recession. "But if we look at the basis of our country's expansion, we'll find no negative prospects. It's just an economic cycle."

Executives Face Arrest for Toy Factory Deaths

BK2005024393 Bangkok THE NATION in English 20 May 93 pp A1-A2

[Text] Police will today issue arrest warrants for four top executives of Kader Industrial (Thailand) Co Ltd, whose factory burned down last week, for the company's suspected violations of the industrial works code, Police Director General Pol Gen [Police General] Sawat Amonwiwat said yesterday.

The four are Phichit Laokasem (a Thai), Chang Ming Kwang (a Taiwanese), Chulin Unhaphume (a Chinese American) and Chong Yuk Ming, from Hong Kong, Sawat said.

He did not give details about the alleged offences.

Sawat said on Tuesday that one of the three Kader factory buildings destroyed by the fire on May 10 had apparently been modified without official permission and police were investigating whether this had contributed to the massive number of deaths in the tragic blaze.

He said if an investigation by the Industrial Works and Public Works departments revealed that the modification was unauthorized and was to be blamed for the high death toll, the four top executives of the company would be liable to criminal charges.

Nakhon Pathom police chief Pol Col [Police Colonel] Cheu Laoprasoet yesterday said his investigation team is preparing to arrest a person suspected to have caused the fire. He would not elaborate.

The fire at the Kader factory compound on May 10 killed at least 188 workers and injured more than 400 others. The death toll makes it the world's worst factory fire. Most of the dead were trapped in three burning factory buildings that quickly collapsed in flames while some others jumped to their deaths from the buildings.

Justice Minister Suwit Khunkhitthi yesterday said the government had set aside Bt6 [baht] million to provide legal aid through the Law Society of Thailand (LST) to relatives of workers killed in the fire who were demanding fair compensation from the company.

The LST also will help to handle legal procedures for those who want to file civil suits against the factory management, he said.

Speaking after a meeting with LST representatives at the Justice Ministry yesterday,... Suwit said the law council would set up an emergency complaint unit at the site of the factory in Nakhon Pathom province to give legal advice to the bereaved relatives.

The families of workers who died in the fire will each receive Bt IO,000 in initial compensation from the Social Security Fund, he said.

Police yesterday questioned Kader Industrial managing director Nophadon Chearawanont and two Taiwanese executives of the company.

Provincial Police Bureau Commissioner Pol Lt Gen [Police Lieutenant General] Suriya Moranont yesterday said police had so far questioned 340 witnesses to try to get all necessary details about the fire.

The House committee yesterday formed a panel to help facilitate compensation to the bereaved families.

Meanwhile, about 500 villagers attended a religious ceremony at the site of the factory in Nakhon Pathom yesterday to mourn the deaths of the workers. Opposition MPs from Chat Thai Party, including party leader Praman Adireksan and secretary general Banhan Silapa-acha, were also present.

A female resident from Nakhon Pathom's Nakhon Chaisi district, Prani Imwichit, 26, yesterday told reporters that her elder brother, Chumpon, 30, who is a Kader employee, had not returned home after he was taken by police to the Pho Kaew police station on Tuesday to be questioned as a witness.

Company's Investors Identified

BK2005034393 Bangkok THE NATION in English 20 May 93 p B1

[Text] Internal Charoen Pokphan Group documents show that the company controls 50 per cent of Hong Kong-based KCP Toys Co Ltd which holds an 80 per cent stake—through Honbo Investment Ltd—in the toy company ravaged by fire last week.

According to sources in Hong Kong, the CP group—through a complicated web of cross-shareholding—controls Honbo Investment through two shell companies, Realty Dragon Ltd and Onglory Co Ltd.

The two nominees each hold 50 per cent of Honbo Investment.

Yesterday CP was not returning the calls made by the Nation inviting it to comment on and confirm its link with Honbo Investment and KCP Toys Co Ltd.

However, two of Honbo Investment's directors are known to be Julin Unhaphoum and Stephen Wong Kie Chung.

Julin is one of four key executives with Kader Industrial (Thailand), whose two Nakhon Pathom toy factories caught fire last week killing more than 200 workers.

If found guilty of negligence, Julin could face criminal charges which carry a maximum penalty of 10 years in prison and a Bt [baht] 20,000 fine. Julin is a long-term Hong Kong resident, but holds a US passport.

Wong, a Hong Kong resident who carries a UK passport, is an executive vice president of the CP Group. He manages much of CP's property in Hong Kong and mainland China.

The sources indicated that Lyre Terrance Development Ltd holds the other 50 per cent stake in KCP Toys Ltd. Lyre Terrance Development is totally owned by Kader Industrial Co of Hong Kong, which is 100 per cent controlled by Kader Holdings Co Ltd.

Apart from holding 80 per cent of Kader Industrial (Thailand) Co, KCP Toys used to hold 20 per cent in Thai Chiu Fu International Co, a toy firm listed on the Stock Exchange of Thailand.

It transferred its stake to Kader Holdings Co prior to Thai Chiu Fu International's listing.

One of Thai Chiu Fu International's factories on the same site as Kader Industrial's was also damaged by the fire.

KCP Toys also controls KCP Marketing Co Ltd of Hong Kong and KCP Packaging Co Ltd of Thailand:

Kader Industrial of Hong Kong earlier tried to distance itself from the Thai toy factory saying that CP Group was responsible for running Kader Industrial (Thailand).

It has hired Croll Company, a top US fire investigation firm, to ascertain the fire's cause.

CP is reported to be angry with Kader Industrial about the admission, although it has yet to make any public statement about its connection with the toy factory other than to make its initial denials [through a spokesman] that it was involved at all. Thai Chiu Fu International yesterday informed the stock exchange that it was acquainted with the management of Kader Industrial before the Hong Kong firm first invested in Thailand.

It said it hired Kader Industrial to produce parts of its toys, but its customers were different. Kader Industrial mainly exports to European markets, while Thai Chiu Fu International services America.

Thai Chiu Fu International rents two factories from Kader Industrial (Thailand) at Bt400,000 a month each. It paid a BtlO-million security deposit for the rent.

It said none of its workers were killed in the fire, but claims to be paying compensation to staff unable to return to work until the authorities give the green light.

Safety Council Head Resigns

BK2005054393 Bangkok BANGKOK POST in English 20 May 93 p 1

[Text] National Safety Council Secretary-General Wichit Phunyahotra has tendered his resignation to take responsibility for the deaths of 188 workers in the fire at Kader Industrial toy factory in Phutthamonthon last week.

Dr Wichit told reporters he was quitting because he felt responsible for the tragedy and no other government official had offered to take the blame.

"This is the worst tragedy in Thailand in 80 years ... Someone must take responsibility for the disaster. People are unhappy that the guilty have not been punished," he said.

The Government has been under pressure because no officials have taken responsibility, said Dr Wichit adding that he had actually tendered his resignation on May 12 two days after the fire.

He said Prime Minister Chuan Likphai had asked to talk to him after receiving his resignation.

"I want to see improvements and official responsibility. I won't stay if nothing changes," Dr Wichit said.

He said safety measures are clearly written in regulations and laws, but are rarely enforced.

The law requires factories with no more than 50 workers to have fire escapes at least 1.10 metres wide, and one centimetre wider for every worker over 50 people, up to a maximum 10 metres wide if there are more than 500 workers.

Factories are also required to hold regular fire escape drills to ensure that workers would be able to evacuate buildings within five minutes in case of a fire.

He said government agencies must take responsibility for civil disasters, big or small, and the extent of their responsibility depends on the size of the disaster.

"We have nearly 200 deaths on our hands. Nobody should be able to sleep after this. I have not been able to sleep since then. If we allow the tragedy to be forgotten, a similar disaster will happen again.

"It is useless for the Government to come up with any new measures, knowing full well they will not be enforced.

"I resign because I want to show that someone must take responsibility and I hope that more people will follow. If we can create a higher sense of responsibility, future tragedies can be prevented," he said.

Dr Wichit said the officials responsible for ensuring safety at factories and the company's management are equally to blame for the fire and factory collapse.

The officials had failed to do their duty and the factory's owner had lacked a sense of responsibility.

Chuan May Step In To Supervise Rice Policy

BK2005060393 Bangkok BANGKOK POST in English 20 May 93 p 24

[Text] Prime Minister Chuan Likphai may step in to supervise the Government's rice policy if government schemes fail to boost paddy prices to targetted levels.

An informed source said the Prime Minister was very concerned about the slump in paddy prices and the Commerce Ministry's failure to export anticipated volumes of rice.

The source said it would be time for Mr Chuan to step in if the latest intervention scheme handled by the Marketing Organisation for Farmers (MOF) failed.

"The Prime Minister has very strong determination to take care of the problem," the source said.

Meanwhile, at a meeting of 120 senior agricultural officers, cooperative officers, MOF officers and agricultural inspectors in Bangkok yesterday, Agriculture Minister Niphon Promphan said more than 35 million farmers would be in trouble if the MOF's rice price intervention scheme failed.

The meeting was held to explain the ministry's plan to buy rice in the 1993 crop season under the MOF's price intervention scheme to senior officers.

Saying the task was very challenging, Mr Niphon urged all agricultural officials to monitor the rice industry very closely.

He told the officials to pay special attention to whether rice millers were dumping old rice stocks by selling them to the MOF.

Under the Government's price intervention scheme, the MOF will buy rice from millers who buy paddy in the second season crop from farmers who have registered their crops with the Government.

Mr Niphon told officials to call him if they found rice millers who were not cooperating with the scheme.

The rice problem could ease next year as the Government had endorsed a 10,000-million-baht budget for the next fiscal year for the Agriculture Ministry to take care of the industry.

MOF director Niphon Wongtrangan said the MOF would buy 80,000 tons of 15 percent white rice at 4,660 baht per ton and 40,000 tons of A1 broken rice at 3,955 baht per ton under the price intervention scheme.

The buying price was quoted at delivery sites at the Ayutthaya and Pathum Thani provincial warehouses.

Another source said an eight-member national rice committee had admitted at a meeting at Government House on Tuesday that paddy prices had fallen below the Government's target prices.

Second-crop paddy with 15 percent moisture was being sold for between 2,500-2,600 baht per ton at Kamnan Song rice depot in Nakhon Sawan and 2,400-2,500 baht per ton at the Lamai rice depot in Phitsanulok.

The committee admitted there were huge rice stocks in the country, scattered between Bank for Agriculture and Agricultural Cooperatives warehouses with 3.3 million tons of paddy, rice millers (three million tons of paddy), government warehouses (800,000 tons of rice) and rice exporters (600,000 tons of rice)

The committee admitted that only 1.3 million tons of white rice vere exported in the past four months of the year. The Government had export orders for 600,000 tons, while the private sector was expected to export about 200,000 tons a month. By the end of the year, it was expected that only 3.5 million tons of rice would have been exported.

It also admitted that Thai rice prices were currently lower than Vietnamese prices. Fifteen per cent Thai rice was being sold at US$17 per ton while Vietnamese rice was US$175. But despite the lower price, exports were minimal.

Moreover, the private sector did not want to risk making advance sales because it was not confident about domestic prices.

Editorial Views Steps Toward Nuclear Power

BK2005053393 Bangkok THE NATION in English 20 May 93 p A6

[Editorial: "Debunking the myths about nuclear power"]

[Text] Thailand has moved a little bit closer towards having nuclear power. The House Energy agreed in principle that a nuclear power plant should be built and PM's [prime minister's] Office Minister Dr Sawit Phothiwihok together with Egat Governor Sombun Maninawa announced on TV that a three-year commercial feasibility study of the project would be undertaken.

Although many MPs [members of parliament] are reportedly uneasy about the decision to go nuclear, a real political battle over the issue may not emerge until the final go-ahead is given and a site for the proposed plants is chosen. That may be three years from now, after a lot of money would already have been spent on laying the groundwork for running the reactors.

Both Sawit and committee spokesman Ekkapap Phonsue made a number of surprising claims—claims which definitely need to be examined if the record is to be set straight.

First of all, Ekkapap asserted that the Anan II cabinet approved the construction of nuclear power plants on Sept 12,1992. This statement is highly misleading.

The Anan administration did approve Egat's long-term Rower production plan, which included plans to build several plants by the year 2006. But in an interview with the Nation, Anan asserted that such approval carried little real meaning in relation to the issue of whether to go nuclear. Anan noted that such plans must look far into the future and so typically include "everything under the sky".

"Nuclear is an option," Anan explained. "But in all my two years of administration, we [his cabinet] never once discussed this particular option."

Then there was Sawit's claim that nuclear power is clean. It's not. True, it doesn't flood forests and destroy rivers like hydro-electric dams; and, yes, nuclear reactors emit neither air pollution nor greenhouse gases like coal-fired power plants. But gas turbine and clean coal technology, along with promoting efficiency, can be considered to be greener alternatives for energy production.

Running nuclear reactors, and digging up the uranium used as fuel, yields highly dangerous radioactive waste. This by-product can last hundreds of thousands of years, and nobody has ever figured out how to store it in a manner that is entirely safe. Burial is considered the best method, but Thailand may not have the necessary geological features. Government authorities still hope to be able to export the waste, perhaps to Canada.

If this is allowed, it would undermine another argument made by Sawit: that nuclear power provides energy "security". Like hydro-power, nuclear power would be a home-grown energy source. But the technology would all come from abroad. And even if a domestic nuclear industry is developed over the next 30 years, we would still have to rely on foreigners for spare parts, fuel and perhaps a place to dump our waste.

It's also worth asking just how important the security issue is. As Thailand becomes ever more integrated with the world economy, we become ever more dependent on foreigners to supply raw materials and buy our finished goods.

The sector of our economy which is creating the huge demand for power is actually the export-oriented industry. We depend on foreigners purchasing our products, so why should we develop something as controversial as nuclear power just because we don't want to buy energy goods from abroad?

Cost is a big unknown. Nuclear power has become prohibitively expensive in the US. In France and Canada it is said to be much cheaper due to better management and planning, but this is probably the result of hidden government subsidies.

All these factors aside, in the end the debate over whether to go nuclear will probably revolve around the issue of safety. This issue is directly related to cost, since nuclear reactors can be made safer, but more expensive, through greater regulation. If nuclear power comes cheap, it may be at the expense of safety.

Ominously, the authorities are also probably making this calculation. With the memories of the hundreds killed by the factory fire in Nakhon Pathom fresh in our minds, we don't need reminding about the government's record in such matters.

The decision on whether to go nuclear should be a result of reasoned debate, not scaremongering. But many people are whispering their fears: What would the Thai tendency toward corruption and poor regulation mean when it comes to building and monitoring something as dangerous as a nuclear power plant?

A key factor will be where the proposed plants and perhaps a waste disposal site will be located, since there is bound to be a great deal of local opposition. For the moment, everyone is keeping quiet on this issue, though there is general agreement it must be somewhere along the coast. Chances are it won't be too close to Bangkok.

The same can be said for any nuclear waste repository that has to be built. The (geologically stable) salt domes of the Northeast have been put forward as a possible site. But if Egat is so eager to go nuclear, perhaps it would be more fair to store the radioactive waste in Nonthaburi, at Egat's headquarters.

Vietnam

Commentary Views Visit of Senator Kerry, MIA Issue

BK1905135293 Hanoi Voice of Vietnam in English 1000 GMT 19 May 93

[Station commentary]

[Text] Senator John Kerry last weekend visited Hanoi to discuss the MIA/POW issue. Following is our radio report on the results of the visit:

John Kerry came to Vietnam immediately after the visit by General John Vessey. All the frustration on the fate of some Americans missing in action in the Vietnam war suggested by the so-called Russian document has been disproven. Senator Kerry received cooperation and commitment from Vietnam in solving the MIA affair during the visit. He met with the Vietnamese senior leaders, who claimed that Vietnam has cooperated and will continue to cooperate with the United States in settling this question. The government and people of Vietnam always regard the MIA issue as a purely humanitarian issue, and therefore the settlement of this affair is never to be linked with any political conditions.

Vietnamese leaders maintained that though the U.S. Administration is still imposing its embargo on Vietnam and hindering international financial organizations from lending to Vietnam, the Vietnamese Government actively works toward settling this issue. Senator John Kerry declared that Vietnam has created favorable conditions for the United States to study the files of American soldiers missing in action during the war. The Vietnamese side also promised to cooperate with another delegation which will arrive in Vietnam by the end of this month.

Speaking to an AFP correspondent, Senator Kerry said he has received positive response from Vietnam in the settlement of this question. By the end of this month, Senator John Kerry will return to Vietnam with another U.S. delegation, and Vietnam will again provide (?good) conditions for the delegation to have effective working sessions.

Garment Export Accord Reached With EC

BK2005080793 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 May 93

[Text] There have existed mixed feelings of joy and anxiety within the Vietnamese textile industry since early this year when it received the news that the EC has agreed to allow Vietnam to export to EC member countries 151 kinds of goods, of which 106 kinds will be exported in accordance with the alloted quota and 53 kinds will only be exported when receiving specific orders [figures as heard]. This agreement has become effective since 1 January 1993.

In recent years, Vietnam's textile and leather shoe products have found their ways into a number of EC member countries through different routes and have been accepted by this hard-to-please market. This is the first time Vietnamese products have received official recognition. Vietnamese products have been given quotas, and their export must follow strict provisions set in the agreement.

The agreement, based on legal stipulations of the EC, was prepared in different languages and signed by the EC member countries. The signing of this agreement is a great success for Vietnam, for it helps us introduce our textile and garment products into the EC market, thus creating favorable conditions for Vietnamese businessmen to widen and develop their relations of cooperation.

This export task is, however, relatively new to us as we must simultaneously deal with many problems such as investing in production and recruiting workers. We have encountered a lot of difficulties in deploying this task. We are trying to study ways to satisfactorily implement this agreement so as to prepare conditions for our future planning. The signing of this agreement also means that the quality of Vietnamese textile products is internationally accepted and that these textile products have secured a foothold in those countries with strong textile and garment industries. With the EC market open, the production output of our textile industry will be boosted significantly.

Beside this great joy, the Ministries of Light Industry and Trade also are facing the following urgent issues:

The first issue is that while giving priority to major companies, we should not ignore smaller but fast-growing ones in various provinces. After four symposiums held to discuss the division of the quota, the two ministries have decided to release a joint circular detailing principles for the allocation of quotas for textile and garment exports to the EC.

Comrade Le Huy Con, deputy minister of light industry, revealed that the two ministries will inspect relevant establishments on 31 May 1993. All acts of purchasing, exchanging, or transferring export quotas among these establishments will be prohibited. Large companies with significant production output such as the (Ligarmex), the Viet Tien Garment Import-Export Corporation, the Ho Chi Minh City Garment Union, the Garment Import-Export General Corporation, (Confectimex), etc., have been allocated the export quota mainly for two kinds of goods, namely jackets and shirts. Twelve provinces with textile and garment products for export have received equal quotas for their exports amounting to $360,000. Although this quota is not as big as that allocated to a large company like (Garmex), it meets the export requirements of these provinces.

The second issue involves the range of goods. Over the past few years, Vietnamese textile and garment products have not been well planned for marketing. For instance, many localities and households are making jackets in an unorganized fashion. Meanwhile, nobody wants to invest in producing difficult-to-make items such as business suits. This can easily lead to an artificial shortage of jackets. Provinces and establishments have registered for exports of jackets in excess of their quota. Meanwhile, we do not have other kinds of goods allowed under the agreement to meet buyers' demands.

Is EC an important market? Yes, but it is not the only one. We should also consider other markets such as the Japanese, Taiwanese, and Southeast Asian markets and others. If relevant establishments fail to diversify their range of goods, renovate their technologies, and actively experiment with difficult-to-make items, they will be caught in a state of loss when there is a market upheaval.

The third issue is that if export quotas are distributed in an indiscriminate fashion, it is certain that there will be establishments unable to produce any exports although they have allocated quotas. The two ministries have worked out regulations and measures to prevent the resale of quotas under various forms.

The export of Vietnamese textile and garment products to the EC has helped the business establishments shift to a new stage of business. The difficult-to-please but very promising EC market, while requiring our business establishments to urgently renovate themselves, also promises us new successes.

Do Muoi Addresses Hanoi Book Publishing Conference

BK1905133893 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 17 May 93

[Text] From 15 to 17 May 1993, a national conference on book publishing was held in Hanoi. On 17 May, party General Secretary Do Muoi addressed the conference.

He stressed that the work of journalism and book publication and printing is a revolutionary work, an important undertaking. Everybody doing this work is a stubborn soldier on the ideological and cultural front. In our country at present, the market economy is developing under the management of a socialist government. Therefore, the publication and printing sector must know how to do business, but its business must be conducted for the revolutionary undertaking and for the purpose of making the population prosperous, the nation strong, and the society civilized, and for furthering socialism. Our era is the era of information. We are inheriting that kind of civilization. Therefore, our people's knowledge and intelligence must be upgraded. People doing the work of journalism and book publication and printing must realize their important role in the task of improving people's knowledge to significantly contribute to the national renovation.

Pham The Duyet Attends Hanoi Educational Function

BK2005101793 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 19 May 93

[Text] On President Ho Chi Minh's birthday, the Hanoi People's Committee recently held a ceremony to commend and reward various city wards and villages for having attained a standard in the popularization of high school education. Attending the ceremony were Comrade Pham The Duyet, member of the party Central Committee Political Bureau and secretary of the Hanoi municipal party committee; Comrade Tran Hong Quan, member of the party Central Committee and minister of education and training; and representatives from various committees and sectors concerned.

On 19 May 1990, the capital of Hanoi was recognized as the first unit to complete the popularization of elementary education and the eradication of illiteracy. Hanoi has set forth targets, striving to complete the popularization of secondary education in all city wards and 30 percent of villages by 1995, and all municipal and suburban areas by the year 2000.

With the adoption of many concrete measures, such as establishing the standard in the popularization of secondary education in all municipal and suburban areas, Hanoi is diversifying the forms and contents of study and is liberalizing education.

To date, 18 city wards and villages of the municipality have attained that standard. This is due to the thorough application of the educational line of the party and local administrative echelons, the heartfelt contributions of the people, and the industriousness of students coupled with the good instruction of teachers.

Leaders Pay Floral Tribute to Ho Chi Minh

BK1905145393 Hanoi VNA in English 1431 GMT 19 May 93

[Text] Hanoi VNA May 19—A delegation of the party Central Committee, the state, the National Assembly Standing Committee, the government and the Vietnam Fatherland Front Central Committee this morning paid floral tributes to President Ho Chi Minh at his mausoleum on his 103rd birthday (May 19). The delegation included party General Secretary Do Muoi, advisors to the party Central Committee Pham Van Dong, Nguyen Van Linh and Vo Chi Cong, President Le Duc Anh, Chairman of the National Assembly Nong Duc Manh, Prime Minister Vo Van Kiet, and Vice President of the Vietnam Fatherland Front Central Committee Pham Van Kiet.

Also today, delegations of the Defence and the Interior Ministries, the Confederation of Vietnamese Workers, the Ho Chi Minh Communist Youth Union Central Committee and other offices and mass organizations paid floral tributes to the beloved national leader.

Many cultural, political, social activities took place in Ho Chi Minh City today marking President Ho's birthday.

Yesterday, the Party Committee, the People's Committee and the Fatherland Front Committee of the city organized a joss-sticks and flowers offering ceremony on this occasion .

Australia

Canadian Trade Adviser Endorses APEC

BK2005094293 Hong Kong AFP in English 0919 GMT 20 May 93

[Text] Canberra, May 20 (AFP)—The 15-nation Asia-Pacific Economic Cooperation group (APEC) was warmly endorsed by a key trade adviser to the Canadian Government Thursday as Ottowa's "vehicle of choice" for the promotion of a Pacific region free trade area.

John Curtis described APEC as a "triumph of Australian foreign policy" which he said would help bring an even stronger Asian-Pacific perspective to the global agenda and at the same time further regional integration.

"APEC, from the Canadian perspective, is the vehicle of choice," he said in a speech to the National Press Club.

His upbeat assessment on the role of APEC came as good news for Australian Trade Minister Peter Cook as he prepares for a three-week overseas trip to Europe and the United States to push Australia's trade interests.

Australian Prime Minister Paul Keating has proposed using APEC as the basis of an integrated market for the Asia-Pacific region, which has also received support at top levels of the U.S. Adminstration.

It would develop common principles in investment, harmonisation of standards in manufacturing, market access, disputes settlement and other areas.

The APEC countries include the United States, Canada, Australia, Japan, China and the six Association of South East Asian (ASEAN) nations Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

"The primary focus for this cross-Pacific consultation and cooperation that will help bring an even stronger Asian-Pacific perspective to the global agenda and at the same time further regional integration is APEC, which is, no question, a triumph of Australian foreign policy," Curtis said.

But he warned that nations within APEC would need to tread carefully in pushing for a heads-of-state meeting, as advocated by Keating.

"We're very aware of your prime minister's suggestion and certainly we are in favour of building up the visibility and creditibility over time," Curtis said.

But he said nations had to be careful "not to force the pace of APEC.

"There are political differences, cultural differences. Some of the ASEANs are just coming to the table."

APEC ministers are scheduled to meet in Seattle in November.

Navy Chief Discusses Free Navigation

BK1705113593 Melbourne Radio Australia in English 0803 GMT 17 May 93

[From the "International Report" program]

[Text] Australia's naval chief, Vice Admiral Ian MacDougall, says more dialogue is needed to ensure free navigation is maintained in an increasingly congested Pacific Ocean. Adm. MacDougall, who has just ended a visit to India, says rapidly growing merchant traffic in Asia and the Pacific poses a continuing risk of misunderstandings between naval powers, including Australia. Ninety percent of Australia's foreign trade is carried in ships, almost all of it through the Asia-Pacific region. Before leaving India, Adm. MacDougall spoke to South Asia correspondent Christopher Kramer:

[Begin recording] [MacDougall] It is congested and complex. People who sail in the Atlantic Ocean really have... will have little understanding of the Pacific and particularly the China Sea. For instance, it's virtually all high seas in the Atlantic. In the Pacific there are a series of archipelagic changes in the South Pacific—Indonesia, the Philippines, and a few other territorial seas and declared zones—then you wind up with very little high seas. We have in the fastest-growing market place of the world, the Pacific, increase in trade, increasing number of ships' hulls carrying it. Then you have a potential for misunderstanding. That's another reason why the chiefs of the various Navies spend as much time as possible in a dialogue in order to develop procedures which will avoid misunderstandings.

[Kramer] Sir, what is the answer to maintaining stability and peace on the seas in this region?

[MacDougall] Well, we rely heavily on the law of the sea which guarantees the rights of free passage on the high seas and through territorial waters, providing one is engaged in one's lawful occasion, and that is in the case of trade proceeding from point A to point B to deliver or pick up and bring back the trade. So we rely heavily on the law of the sea but not withstanding them. For instance, there are some 500 ships passing Singapore each day. That's a lot of traffic. It's almost an iron highway, and so we know that situation. We don't want any misunderstandings and operating procedures. Back in the cold war days, the two major powers, the Soviet Union and the United States, they developed regimes so that there would be no misunderstandings in terms of ships having... perhaps having collisions with each other or their actions being misinterpreted only on lawful occasions on the high seas.

[Kramer] Sir, do we need more dialogue to ensure that continues to be the case?

[MacDougall] I believe so, particularly in the Pacific, in the China Sea, because it is a very congested part of the world and there is a higher density of traffic each day. [end recording]